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Legislative Assembly of Ontario

Second Session, 36th Parliament

Assemblée législative de l'Ontario

Deuxième session, 36^e législature

Official Report of Debates (Hansard)

Thursday 7 May 1998

Journal des débats (Hansard)

Jeudi 7 mai 1998

Standing committee on
general government

Organization

Comité permanent des
affaires gouvernementales

Organisation



Chair: John R. O'Toole
Clerk: Tom Prins

Président : John R. O'Toole
Greffier : Tom Prins

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Thursday 7 May 1998

Jeudi 7 mai 1998

The committee met at 1002 in committee room 1.

ELECTION OF CHAIR

Clerk of the Committee (Mr Tom Prins): Honourable members, it's my duty to call upon you to elect a Chair. Are there any nominations?

Mr Doug Galt (Northumberland): I'd like to move the honourable John O'Toole for Chair.

Mr Mike Colle (Oakwood): I'll second that.

Clerk of the Committee: Are there any further nominations? There being no further nominations, I declare the nominations closed and Mr O'Toole elected Chair.

The Chair (Mr John O'Toole): Thank you very much, members of the committee. It's a pleasure and a privilege and I hope I will serve everyone fairly and equitably, fairly and reasonably.

ELECTION OF VICE-CHAIR

The Chair: Now we're in a position to receive nominations for the election of Vice-Chair.

Mr Galt: I move the nomination of the honourable Julia Munro.

The Chair: Moved by Mr Galt, Julia Munro for the position of Vice-Chair.

Mr Colle: Does she have to be here to be nominated?

The Chair: Good question. No. Any other questions? I'll call the vote on that. All those in support? That's carried unanimously.

APPOINTMENT OF SUBCOMMITTEE

The Chair: At this point it would be appropriate that the subcommittee have members appointed or elected to it. Any motions?

Mr Mario Sergio (Yorkview): I move that my colleague be appointed.

The Chair: We have Mr Colle nominated. Any other nominations?

Mr Tony Martin (Sault Ste Marie): I nominate Mr Lessard.

The Chair: Mr Lessard is nominated by Mr Martin. Any other nominations?

Mrs Barbara Fisher (Bruce): I have one more to add to it. Perhaps I might read a motion for the nomination of all.

I move that a subcommittee on committee business be appointed to meet from time to time at the call of the Chair, or at the request of any member thereof, to consider and report to the committee on the business of the committee; that the presence of all members of the subcommittee is necessary to constitute a meeting; and that the subcommittee be composed of the following members: the Chair as chair, Mr Gilchrist, Mr Colle and Mr Lessard; and that substitution be permitted on the subcommittee.

The Chair: Any comments or questions? All those in support? The motion's carried. We have the subcommittee struck.

Any other business for this committee to attend to?

Being the Chair, and with respect to the clerk, perhaps the subcommittee could arrange to meet next week on whatever day our schedule is and set up the first agenda.

Mr Colle: Call of the Chair.

The Chair: Okay, and I'll advise the subcommittee. Very good.

Mr Galt: I move adjournment.

The Chair: It's adjourned.

The committee adjourned at 1005.

ERRATUM

No.	Page	Column	Line	Should read:
G-106	G-4750	2	46	ment carry? All those in favour? It's defeated.

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STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr John O'Toole (Durham East / -Est PC)

Vice-Chair / Vice-Présidente

Mrs Julia Munro (Durham-York PC)

Mr Mike Colle (Oakwood L)

Mr Harry Danford (Hastings-Peterborough PC)

Mrs Barbara Fisher (Bruce PC)

Mr Tom Froese (St Catharines-Brock PC)

Mr Steve Gilchrist (Scarborough East / -Est PC)

Mr Wayne Lessard (Windsor-Riverside ND)

Mrs Julia Munro (Durham-York PC)

Mr Mario Sergio (Yorkview L)

Mr John O'Toole (Durham East / -Est PC)

Substitutions / Membres remplaçants

Mr Doug Galt (Northumberland PC)

Mrs Helen Johns (Huron PC)

Mr Tony Martin (Sault Ste Marie ND)

Clerk / Greffier

Mr Tom Prins

Staff /Personnel

Ms Lorraine Luski, research officer, Legislative Research Service

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Legislative Assembly of Ontario

Second Intercession, 36th Parliament

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Deuxième intercession, 36^e législature

Official Report of Debates (Hansard)

Tuesday 11 August 1998

Journal des débats (Hansard)

Mardi 11 août 1998

Standing committee on general government

Northern Services
Improvement Act, 1998

Comité permanent des affaires gouvernementales

Loi de 1998 sur l'amélioration
des services publics
dans le Nord de l'ontario



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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Tuesday 11 August 1998

Mardi 11 août 1998

The committee met at 0837 in the Valhalla Inn, Thunder Bay.

NORTHERN SERVICES
IMPROVEMENT ACT, 1998LOI DE 1998 SUR L'AMÉLIORATION
DES SERVICES PUBLICS
DANS LE NORD DE L'ONTARIO

Consideration of Bill 12, An Act to provide choice and flexibility to Northern Residents in the establishment of service delivery mechanisms that recognize the unique circumstances of Northern Ontario and to allow increased efficiency and accountability in Area-wide Service Delivery / Projet de loi 12, Loi visant à offrir aux résidents du Nord plus de choix et de souplesse dans la mise en place de mécanismes de prestation des services qui tiennent compte de la situation unique du Nord de l'Ontario et à permettre l'accroissement de l'efficacité et de la responsabilité en ce qui concerne la prestation des services à l'échelle régionale.

The Vice-Chair (Mrs Julia Munro): Good morning and welcome to the standing committee on general government. We're here in Thunder Bay to look at Bill 12. I would ask first of all for the subcommittee reports.

SUBCOMMITTEE REPORTS

Mr Peter L. Preston (Brant-Haldimand): With your indulgence, I present the reports regarding Bill 12.

"The subcommittee met on Tuesday, July 7, 1998, and agreed to the following:

"(1) That the committee will travel to Kenora, Thunder Bay, Sault Ste Marie and Kapuskasing. If travel arrangements to Kapuskasing prove to be difficult, the Chair may substitute Timmins for Kapuskasing. The specific route and travel arrangements will be decided by the Chair.

"(2) That an advertisement will be placed, if possible, for one day in the largest weekly English and French papers in each city to which the committee will travel. Furthermore, an ad will be placed in the Timmins Daily Press, le Nord de Kapuskasing, and l'Express de Kapuskasing. The advertisement will also be placed on the Ontario legislative channel.

"(3) That July 31, 1998, at 12 noon will be the cut-off time for people to contact the committee clerk to request

an opportunity to appear before the committee. Written submissions must be received by August 14, 1998.

"(4) That the Minister of Northern Development and Mines be offered 60 minutes in which to make a presentation. Following the presentation, all three parties will be offered five minutes each to ask questions and make statements.

"(5) That ministry staff be present at all committee hearings in order to answer questions from the members.

"(6) That the expenses incurred by a witness will not be reimbursed unless the request is approved by the subcommittee before the witness makes a presentation.

"(7) That the legislative research officer will prepare a summary for the committee and have it distributed by August 18, 1998. The summary will include a package of background information containing press reports concerning this issue from each of the cities the committee will visit.

"(8) That the Chair will begin each meeting after each party is represented or once 15 minutes from the scheduled start time has expired.

"(9) That clause-by-clause will commence on October 1, 1998, or on the first regularly scheduled committee meeting day after this date. Each party will have 10 minutes for statements before the commencement of the clause-by-clause process.

"(10) That there will be an additional subcommittee meeting on August 4, 1998, at 4 pm.

"(11) That the Chair, in consultation with the clerk, will make any other decisions necessary to facilitate these committee hearings.

"(12) That the clerk is authorized to begin implementing these decisions immediately.

"(13) That the information contained in this subcommittee report may be given out to interested people immediately, as opposed to after the committee has voted on it."

Do you wish to vote on this or carry on with the second subcommittee report and do them together?

The Vice-Chair: We will do them together.

Mr Preston: "The subcommittee met on Tuesday, August 4, 1998, and agreed to the following:

"(1) That the committee will travel on August 11, 1998, to Thunder Bay and Kenora, and on August 12, 1998, to Sault Ste Marie and Timmins;

"(2) That all of the proposed deputants who call the clerk by the July 31, 1998, deadline will be offered 20 minutes in which to make their presentations."

Those are the two reports, Madam Chair.

The Vice-Chair: Thank you. Any debate? Any amendments? All those in favour of the two reports? Thank you.

STATEMENT BY THE MINISTRY AND RESPONSES

The Vice-Chair: We're going to move on then to the presentation to be given today by Mr Hardeman.

Mr Ernie Hardeman (Oxford): Good morning, ladies and gentlemen. It is a pleasure to be here. I'm sitting in this morning for Joe Spina, parliamentary assistant to the Minister of Northern Development and Mines, who regrettably has suffered a death in his family and was unable to be here this morning. Our thoughts and our prayers are with him and his family.

I'm honoured today to officially open the public committee hearings on Bill 12, the Northern Services Improvement Act. These hearings will take us to the beautiful communities of Thunder Bay, Kenora, Sault Ste Marie and Timmins, where we will listen to the northerners express their views on this historic legislation.

These hearings confirm our continuing commitment to northerners. Minister Hodgson and Parliamentary Assistant Joe Spina have made it their personal goals to ensure that northern Ontario's special circumstances and needs are being heard, considered and acted upon at Queen's Park. Over the past three years they have entrenched the Ministry of Northern Development and Mines' role as government policy voice for the north. The ministry has led the local services restructuring initiative in the north. It has provided both staff and funding resources to ensure a thorough and complete dialogue on this important issue.

Mr Spina wanted me to tell you that he has had the pleasure of personally meeting with many stakeholders throughout northern Ontario over the past year. He's had the opportunity to consult with them, both formally and informally, on the matter of area services boards.

We believe Bill 12 reflects that dialogue. This legislation was created and developed after extensive consultation with northern stakeholders: the Northwestern Ontario Municipal Association, the Federation of Northern Ontario Municipalities, Team North and unincorporated communities. We worked together to draft flexible legislation that gives northern communities new opportunities to work together on delivering better services at a lower cost to the taxpayers.

I'd like to take a moment or two to highlight some parts of this important bill. First, the bill proposes the formation of area services boards, the mechanism that could deliver and provide funding for the services that become a local responsibility under the local service restructuring reforms. It will help communities achieve greater efficiencies, reduce costs and deliver services to clients more effectively.

The draft legislation is enabling. Northern communities are not obligated to create area services boards; they will be created in only those areas that want them. If northern communities choose to establish an area services board, they would make a proposal to the Minister of Northern Development and Mines that describes the parameters of the services board they envision. The proposal would include proof of community support, proposed boundaries and the services that the ASB wants to deliver.

An area services board would be responsible for six core services, namely, Ontario Works, child care, public health, social housing, homes for the aged and land ambulance services. Furthermore, an area services board could choose to deliver a range of other services including economic development; airport service; land use planning; police services; waste management; emergency preparedness and response; roads and bridges; part X of the Provincial Offences Act, which regulates a number of minor offences normally dealt with by a justice of the peace; and any other services designated by the minister.

Board members will be elected officials. The number of members and the areas they represent will be agreed upon locally and set out in the proposal for the board.

Bill 12 also contains changes to the 20-year-old Local Services Boards Act. Northerners recommended to us that local services boards should be able to assume responsibilities for local roads. This change should help to reduce overlap and volunteer workload. Existing local roads boards will also be able to band together to form one local services board to deliver road services if they decide to do so.

We are working with northerners and their community leaders to provide them with models of service delivery that reflect northern circumstances. We believe that during these hearings northerners will confirm that Bill 12 is another significant step in that direction.

Finally, I'd like to thank those who are taking time to present their views on Bill 12. Expression is the essence of the legislative process and these public hearings are an important form of expression for those who care about their communities. We undertake them not because we are mandated to do so. We undertake them knowing that individual expression can make a positive difference. We undertake them because they lend a voice to local citizens, the people who know what is best for their communities.

With this, I'd like to officially open these public hearings.

The Vice-Chair: Thank you very much, Mr Hardeman. As you will note from the subcommittee report, we have five minutes for each party.

Mr Michael Gravelle (Port Arthur): Thank you very much, Mr Hardeman. Good morning to everybody and welcome to Thunder Bay. I certainly would like to pass on our condolences to Mr Spina in terms of the death in his family. We feel very badly for him.

We are glad to have an opportunity to have public hearings. When we were in second reading debate it was something that we very strongly felt had to happen. I think there was some reluctance on the part of the government at

the beginning, but we're glad that indeed there was agreement finally that there should be public hearings. I think we're going to hear a number of things that will be interesting. There will be some suggestions for change that I hope the government members will be open to. In some way I'd like my remarks to reflect what I see to be some of those concerns.

It's important to state off the top that people do need to understand that this is a process that's come about in essence because of the downloading process that the government began back in January 1997. I'm sure most people recognize that, but I think if the downloading process wasn't in place, this piece of legislation wouldn't need to be in place at all in terms of the services. Of course it's a process that many of us continue to be concerned about, particularly in northern Ontario. We believe this downloading is probably going to have a much larger impact on northern Ontario municipalities than on other municipalities, although it's clearly not revenue-neutral anywhere in the province, which leads me to a concern that we have. If I may, I will get an opportunity to ask you the question, Mr Hardeman, as well.

We know there's a special assistance fund that's in place in terms of transition funding. We know that it's been in place for a couple of years. One of the things that I think will be asked is whether the special assistance fund, which is supposed to reflect the fact that the revenue-neutrality isn't there, will be maintained. I think that will be asked today by some of the people who are coming forward for presentations. I trust that the government members and the minister have given some thought to that. I think it's very important that there be a recognition that at the end of the process it could ultimately mean much higher property tax increases for people who live in the north. We hope that the commitment to revenue-neutrality will be reflected in maintaining special assistance funds.

There are many other concerns that we have. One relates specifically to public health. Our party has maintained very strongly that one of the parts of the downloading process that should not be in place is the downloading of public health to municipalities.

We'll be hearing today from the Thunder Bay District Health Unit, Dr David Williams, who will be speaking in terms of the concerns that they have, which is the way the public health units are now presently set up. They also believe very strongly that indeed public health should not be downloaded to municipalities. I would continue to maintain, as I think our party would, that this is something that should not be downloaded to the municipalities and the province should maintain responsibility for it.

I think there are some great concerns expressed over the fact that health units are set up at this stage now in a district-wide set-up and there are some concerns that there could be a situation where governance will be quite confused. There'll be set-ups for the health units that will not necessarily be reflective of the area services boards that could be put in place, which should cause a great deal of confusion in terms of implementation and various other things as well. That is a great concern. Again, I think the

government needs to address that particular and very precise problem that appears to be in place right now in terms of the set-ups of the district health units as opposed to what the area services boards might end up being.

0850

There are a couple of parts in the specifics of the legislation that make us concerned about the fact that indeed it is enabling legislation yet there are some sections that suggest that the minister will still be in a position where he can force districts or municipalities to make decisions based on the fact that he has the ultimate power to change their minds.

Subsection 37(1) reads, "One or more municipalities or local services boards or the residents of unorganized territory may make a proposal to establish an area services board for the consolidation of service delivery by submitting to the minister a report containing" various aspects. But subsection (2) says, "The minister may establish principles that municipalities, local services boards and residents of unorganized territory shall consider when developing a proposal to be submitted to the minister."

That has some concern for us, because what it suggests is that regardless of what the municipalities or the districts put forward, the minister may say, "These are principles by which you must be guided." On the one hand, you say it's enabling legislation and you say that the municipalities or the local services boards have an opportunity to bring that forward, yet there may be principles that the minister will force upon them.

Again, I think that's something the committee will hear about today. It's a concern we have and I think it needs to be addressed and the public hearing process is the appropriate place to do it.

The Vice-Chair: Thank you very much.

Mr Gravelle: My time is up already?

The Vice-Chair: Your time is up, yes.

Mr Frank Miclash (Kenora): My time too.

The Vice-Chair: We'll move on to Mr Pouliot.

Mr Gilles Pouliot (Lake Nipigon): Good morning, Chair, members of the resources committee.

Interjection: General government.

Mr Pouliot: To the people, les gens sur le comité, is it my accent that throws you, my colleagues?

I too would wish on behalf of Mr Wood and our caucus to issue our most sincere condolences, at least convey our sentiments. We share in the sorrow of a distinguished and very good person, a very good colleague. He's nearly a seatmate. We sit across the aisle and exchange some views over time in the House.

On Bill 12, I guess the government must have looked at the Thunder Bay phone directory and the surrounding areas and said, "Is there anyone we haven't antagonized in the province of Ontario?" Then they matched with the computer and found the unorganized territories and said, "We might as well ask them to grab a number."

The reality is that people are about to embark on what is for them a new system, new responsibilities, added costs, added responsibilities. The reality will attest that

there's very little money to pay for those new responsibilities. They weren't consulted. They have no industrial assessment, no mills, no big General Motors, Ford, Chrysler, whatever, so there's no money to be taken from that. They also have very little commercial assessment. By and large, they shop in the closest municipality. If you're around Thunder Bay, you do your shopping in Thunder Bay and then you go back home, which is the unorganized territory. You're left with a very small pool, resource of municipal assessment.

By and large, the people who live in those communities are not rich. It's not the kind of group that you would meet at the club you frequent. It's not the Toronto Club, the well-to-do, the people you know.

I see this as the last grab. This is the last straw. Let's face facts: In the real political world you're not going to get anything here. Take that to the bank. In fact, both opposition parties are hoping that you do well so that the incumbent can say that you've split the vote. I don't care what your riding association is saying. I've been working with you people for 14 years.

There are very slim pickings here. It's like the blueberries this year. You've got strawberries, a few; you've got raspberries, a lot; but you've got no blueberries. You come to Manitouwadge — I've been picking for three days — and my wife says, "Gilles, you're such a slow picker, you go to Thunder Bay." So I drove in last night.

More seriously on the bill, we represent some 40 communities in the riding of Lake Nipigon, 26% of the overall land mass. Not one of the municipalities that is impacted by this bill, not one of those unorganized territories, has been contacted. Ask people. There's been no referendum. There has been no contact so people can voice by ballot their preference, because they want to stay where they are; they want to stay as they are. There is no guarantee that their taxes will not go up. I don't see this in Bill 12. I don't see any guarantees of grants. All I see is, "Trust me, trust me, trust me."

Politicians don't have the best reputation when using those words. I think they'll be left holding the bag unless you entertain some amendments that will give them the money in their jeans to be able to afford the new responsibilities. The municipalities around them don't want them, by and large, because they see them as under-serviced and they will have to provide the service and they see very little possibility of assessment. The people in the municipalities feel that they're subjected to a grab from the government.

I think when the government says it listens — you should ask, then you listen to what people are saying. Put yourself in their shoes, madame, and you will get a resounding "No." You don't have to do this. Sometimes it's better to do nothing. Let it be. Thank you.

The Vice-Chair: That concludes the section on comments from the two parties.

THUNDER BAY CHAMBER OF COMMERCE

The Vice-Chair: We'd ask the representatives from the Thunder Bay Chamber of Commerce to come forward and begin their presentation on Bill 12. I'd ask that you identify yourselves for the purposes of Hansard. You have 20 minutes in which to make a presentation and you may use part or all of that time. If there is time available, then we will entertain questions from the representatives here. Please go ahead.

Mr Barry Streib: Good morning, ladies and gentlemen. It's a pleasure to be here this morning. My name is Barry Streib, first vice-chair of the chamber of commerce. With me to make this presentation to the standing committee on general government is the chamber president and CAO, Rebecca Johnson. She also serves as the co-ordinator for the Northwestern Ontario Associated Chambers of Commerce.

Thank you for providing the Thunder Bay Chamber of Commerce the opportunity to address you this morning on the Northern Services Improvement Act and its potential impact on businesses in northwestern Ontario.

The Thunder Bay Chamber of Commerce has a membership of 975 member firms and over 1,300 voting representatives. The Northwestern Ontario Associated Chambers of Commerce includes over 2,100 businesses throughout the northwestern area of Ontario.

We commend the present provincial government for their business focus. The chamber also congratulates the government on the Red Tape Commission's report and examination of reduction of massive layers of legislation. We are concerned with the present legislation before us today in the Northern Services Improvement Act and the impact it could potentially have on business taxes. It also increases the levels of government. There will be more legislation and ultimately more bureaucracy.

Not only locally but through the Ontario Chamber of Commerce, we have stressed the need to reduce levels of government. In southern Ontario we see that regional government is being reduced, and now we find it puzzling that there is a proposal under Bill 12 to impose regional government here in the north. Through the Northwestern Ontario Associated Chambers of Commerce we have requested that we continually explore ways and means to reduce government.

0900

The chamber recognizes that those residents who are currently living in unorganized townships must pay their fair share of the responsibilities now being downloaded to municipalities. An example that is not acceptable is shown when, on a road divided down the middle between an organized and an unorganized township, those on one side of the road pay a municipal tax to an organized township and those on the other side of the road pay considerably less tax. This issue must be addressed, but not necessarily through Bill 12.

We recommend that adjoining municipalities incorporate these outstanding townships. At present, the

provincial government subsidizes these residents as there is insufficient assessment to pay for their new municipal level services. These grants should continue for a period of time, perhaps three to five years, with municipalities ultimately responsible for all costs incurred. This grandfathering would provide the necessary time to residents and municipalities to adjust to the new taxes required.

The new section, part II to the Local Services Improvement Act, is legislating the consolidation of delivery of specified public services in northern Ontario through area services boards. Ladies and gentlemen, this is another level of government, one in which we as the business community, in conjunction with residents, which we are also, must pay for.

We are fortunate in that the townships surrounding Thunder Bay have been actively working towards a solution to the costs incurred with additional responsibilities downloaded from the provincial government. Two municipalities have amalgamated, namely, Oliver and Paipoonge, to create a new municipality, Oliver Paipoonge. Neebing will also annex two unorganized townships, Scoble and Pearson, within their boundary in January 1999.

Although there have been other discussions to amalgamate, none have materialized at this time. As noted, though, several of the townships are working to reduce their costs by working together in the areas of social assistance, homes for the aged etc through the district social services administration board. Regretfully the DSSAP is in default.

Thunder Bay regional municipalities must also address the fact that the city of Thunder Bay will probably not wish to participate in a services board and how that will impact on what occurs in northwestern Ontario. This has been shown in the city of Thunder Bay not voting to be part of the district social services administration board.

The chamber acknowledges that Bill 12 proposes that one or more municipalities or local services boards or the residents of unorganized territory may make a proposal to establish an area services board and that it is not legislated. It is also identified that there is only a three-year window to opt into the service board. Although the board is not mandatory, the legislation leaves a municipality with little choice. All municipalities recognize that unorganized township residents must pay their fair share. Now is not the time to legislate a new layer of government, such as is proposed in Bill 12, but to allow municipalities to be creative and determine their own fate.

We do not see any regulations attached to the legislation which really provide specifics to how the legislation will be enacted, which does not assist in providing direction or how to respond to some aspects of Bill 12 today at these hearings.

The one component that does not sit well with the chamber and the business community is the provision to pay for the services board. Businesses already pay their share of support generally as a business, and in most cases an additional share as a resident.

Under subsection 40(1), "a board may establish its own rules and procedures." If they don't, it is not clear who will establish the rules. We assume it is the minister and that the regulations are not in place.

The chamber recognizes that services have been downloaded to municipalities. This is a matter between the municipalities and the provincial government and we will not speak on this issue during this time. We only comment that government needs to examine all areas of governing and look for the best method of providing services at an affordable cost. It must be remembered that there is only one taxpayer whether taxes are municipal, provincial or federal.

"A board may charge fees in respect of the required services it provides in the board area" — subsection 41(6). "For the funding service delivery in a board area, tax may be levied on all real property in the board area that is liable to assessment and taxation under the Assessment Act or the Provincial Land Tax Act" — subsection 43(1). As noted previously, the chamber is most concerned about the additional costs incurred with another level of government.

You are recommending two taxation models, sections 44 and 49, and also the establishment of tax ratios, section 51. Again, the setting of tax ratios has no regulations attached. It is difficult to see the impact of same without knowing what rules are attached to their establishment.

Setting tax ratios "must be within the allowable range prescribed in the regulations for the property tax" — subsection 51(5). It is difficult to speak on this section as we are unaware of the regulations. There is certainly a concern in that "the tax ratio...may be outside the allowable range" — subsection 51(6). The chamber assumes you have seen the report undertaken by KPMG regarding the Sudbury situation and how the tax is increased by \$415 per head. At this time, northwestern Ontario cannot absorb an additional tax increase no matter what the rationale for an increase may be.

In conclusion, the Thunder Bay Chamber of Commerce recommends that municipalities in northern Ontario work towards amalgamating services provided to their residents and businesses: ratepayers. With the downloading that is currently occurring and the increased cost to municipalities and ultimately to the taxpayer, cost-efficiencies must be carefully examined. Elected governments in individual municipalities are responsible to the taxpayer for the rate of taxes assessed in that particular municipality. This accountability should be left with the individual councils realizing that they must work towards keeping taxes at a rate acceptable to their taxpayers.

Northwestern Ontario, although very large in area, does not warrant another level of government. Not only can we not afford it, but we don't need it.

The chamber requests that the government let northern Ontario municipalities make their own decisions as to how they should adapt to the new environment they find themselves in. We do not require southern Ontario solutions to our challenges.

The Thunder Bay Chamber of Commerce thanks you for the opportunity to address you this morning. We are prepared to respond to your questions.

The Vice-Chair: We have time for questions, about three minutes from each caucus.

Mr Gravelle: Good morning, Mr Streib and Ms Johnson. Welcome. You made reference, obviously in a large fashion, to something I didn't get a chance to in my opening remarks, which is that in essence this piece of legislation would set up another level of government, another layer of government, regional government. It's one that you obviously have great concerns about as well.

I don't mean to put you on the spot, but I probably am. As a result of that and other concerns you have about the taxing process, are you asking the government to withdraw this legislation, to say that this is a piece of legislation that really should not be pushed forward any further?

Ms Rebecca Johnson: As we have said in our presentation, we are looking at not having another level of government at all. Whether it's the withdrawal of Bill 12, it's definitely an examination of it. We oppose another level of government completely. We feel that the municipalities are working towards amalgamating, to annexing townships, towards creating a foundation that will address unorganized township situations, that it would be in the best interests of the north to let those in the north come up with a solution and not have it imposed by government.

Mr Gravelle: It does seem ironic, doesn't it, while this government talks about less government and certainly is moving in that direction in other parts of the province, to actually be bringing forward legislation that would in essence impose another level of government seems pretty bizarre, I guess is a way of putting it.

Ms Johnson: We have noted that in our presentation.

Mr Gravelle: Absolutely, and it's much appreciated. Also your concerns expressed about the whole taxing process: Again, if the regulations aren't there for you to see it, that also makes it very difficult, almost, to comment on, doesn't it, because you can't make an honest reflection of what it's going to ultimately mean. Those concerns I think you expressed very well too.

0910

Mr Pouliot: I listened intently — we all did — to your comments. Am I right in assuming that the cities will pay more taxes because they'll have to take care of new services on behalf of Bill 12? Also, would I be right in assuming that the unorganized territories will pay more taxes? The trick here could be that the government pays less because it downloads new responsibilities and lets the unorganized territories and the organized neighbours pick up the slack. They are left holding the bag. They pay for the services and the province says: "Okay, we've downloaded. We no longer pay. You fix it up between you two."

Ms Johnson: What we are looking at is the fact that it is time to be creative in our province. We can no longer just keep taxing but we can no longer keep doing business the way we have done for the last five, 10, 20, whatever

number of years it is. We have to look at governing our province in a different way, whether that's at the provincial or the municipal level. Within that context, there is no question that there are no more taxes, so how do we reassign those or realign those?

We are not going to get into a discussion on it this morning because there isn't the time and that's not what we're here to address in relationship to how and what the government should download to the municipal level, but certainly within the context of the downloading there has to be provision and understanding that the taxpayer can only pay so many taxes. How that is addressed is not ours to decide here this morning, but if you'd like, we would be very happy to sit down and talk to you about that at another time.

Mr Pouliot: I'll give you an example of a territory with which I'm familiar, the thriving metropolis of Caramat, Heron Bay; not the native community but Heron Bay township. Where we live, they abound. They're the order of the day, not the exception. There is no assessment. To take one added responsibility, aside from volunteer fire protection, some road maintenance, some recreation, for which they all get grants, by the way, and to say, "Now you will be responsible for so-and-so situations, endeavours," there is no guarantee. People are very hesitant. Their tax rate could easily double with one more responsibility. If they can't pay it, then Thunder Bay, in this case, will pick it up. The district will pick it up. There is no secret here.

I came here this morning expecting that the chamber of commerce, with the highest of respect, would at least give tacit agreement. It's in your philosophy: less government, cut through red tape, "Get off my back," "Stand on your own two feet." I'm surprised at you. What you are saying is that your conclusion is that you are opposed to this bill, and I agree with you wholeheartedly. I think they should throw it in the garbage can, never to surface again, and everybody will be happy. They are not banging on the doors to have Bill 12 come through.

Mr Tom Froese (St Catharines-Brock): Thank you very much for your presentation. You're very strong on cost-efficiencies, that there's only one taxpayer and that governments at all levels should look at reducing costs and amalgamating services. Could you comment on how you feel the area services boards — you did comment about probably increasing taxes to another level of government. To my mind, this is enabling legislation. It's voluntary. I'd just like to hear your comments a little bit more in depth on how you figure there are going to be tax increases when the purpose of the bill is to allow municipalities and larger service areas to amalgamate, to be more cost-efficient and to give the tools to municipalities and areas, especially in the north, to give quality service at reduced cost.

I'd like you to expand, because it's voluntary and because the purpose of the bill is to allow for cost-efficiencies of services in large areas, on how you feel there would be tax increases or that it would be another level of government. I'm just trying to understand that

because you don't have to implement this if you don't want to.

Ms Johnson: That's quite correct in relationship to "You don't have to do this." Let's put it this way: Once government puts legislation in place, it makes it a little easier for some municipalities to go about establishing an area board and within that, because the legislation is there, it just becomes a norm and a pattern for doing it. That does not necessarily mean that you can have cost-efficiencies.

If you look at the geographical area of this part of the province, to even get people together — within the act it talks about teleconferencing, but do you have any idea what teleconferencing costs in this part of the province? We're going to enter in one and at 10 o'clock I have to be on one. We're looking at one hour, \$600 to be on a teleconference, and we have that every six weeks with our northwestern Ontario chambers of commerce. This is very costly in this part of the province.

What we're recommending is that the municipalities leave them and let them decide their own way of doing it without imposing legislation that either they can opt into or they can't opt into. We feel that the municipalities really are trying, realizing that there is a new environment they're living in, and also feeling very strongly that they have to look at cost-efficiencies, that there is a way they can do and then they will do it.

But give them a little bit of time — we're suggesting three to five years here — even to incorporate or annex some of the unorganized townships. We recognize that is an issue. We are the only part of the province that has unorganized townships that the government currently has to pay for. But there has to be a better way of doing it than putting other kinds of legislation in place that we have to either opt into — and when it's there, it seems it's an easier way to do it. That's not necessarily the best answer.

The Vice-Chair: Thank you very much. We've run out of time. We appreciate your coming here this morning and making your presentation.

THUNDER BAY DISTRICT HEALTH UNIT

The Vice-Chair: I'd like to move on to our next presenter. I'd ask Dr David Williams from the health unit of Thunder Bay district to come forward. Good morning, Dr Williams, and welcome.

Dr David Williams: Thank you, Madam Chair and members of the committee, for the opportunity to speak on Bill 12 today officially as Dr David C. Williams speaking as the medical officer of health for the Thunder Bay District Health Unit, the board of health, and also as the chair of the Ontario Medical Association section of public health physicians.

I've given you a handout of materials to look at and I'd ask that you have a glance at the map on the back as I read and talk about some parts of my presentation.

The intended purpose of Bill 12 is to "provide choice and flexibility to northern residents in the establishment of service delivery mechanisms that recognize the unique

circumstances of northern Ontario and to allow increased efficiency and accountability...."

As the medical officer of health and on behalf of the Ontario Medical Association — you'll hear later on today from the president — we have concerns about that. I thank Mr Gravelle for his comments and concerns about public health and its lack of proper fit in the downloading process. Nevertheless, we have concerns that the bill, as tabled at this time, will do very little to improve the effectiveness and efficiency of delivery of public health in northern Ontario.

0920

As I've noted in my documents here, provision of public health services and preventive programs and shared governance, funding and coordination at the local, provincial and federal level are essential. The Health Protection and Promotion Act has laid that out and given a firm legislative foundation to deliver this adequately in a province-wide format. Amendments have been put through to further strengthen the act. Furthermore, Management Board of Cabinet of this government in 1996 approved a business plan for public health that was highly applauded by that cabinet committee. It laid out three priorities. Enactment of the NSIA, if I can use the acronym of Bill 12, will undermine and conflict with those business plans that were approved.

The value of the Northern Services Improvement Act, I feel, is the recognition of the complexity and the cost of delivering programs and services to the citizens of northern Ontario, including first nation communities. The proposed act does very little to clarify these issues and to deal with them. It does seek to add an additional tax to those residing in unorganized territories, many of whom are already paying taxes in other forms provincially and on their primary residence. Serious consideration has to be given to looking at northern Ontario in a more "territorial" aspect, if I can use that word, because of its uniqueness to the large size and the large areas dealt with, to ensure that funding for these is equitable across the province and fair and reasonable.

If you look at the map of Thunder Bay District Health Unit, we comprise 27% of the land mass of Ontario. The three northern health units of Northwestern, Thunder Bay and Porcupine cover 60% of Ontario, not 60% of the population or the commercial property tax base of the province. Most of those resources go to the tax base at the provincial level and federal level that are not actually allocated or denoted in this act. The cost of a flight, for example, from here up to one of our northern areas if we had to cover it is \$1,300 to \$1,800 one way. You've already travelled halfway here on one part of your trip today and you have further to travel yet to cover the distances.

The proper recognition of the territorial aspect of this and other northern health units should initiate under this act, or bill if it's going to be in a proper way, some way of enhancing the roles of area-wide governments and how to deal with this in a proper joint effort between provincial-

municipal and federal and self-governed first nations, if that's required in the future.

First of all, in the business plan put forward by the province they looked at the DSSABs, as you want to call them, and they used boards of health as the template, as the exemplary model of how to lay out area-wide governance. That's from a point of having locally elected municipal officials dealing with a levy that was matched by grants from the province to allow them to deal with equitable delivery of programs and services.

In that business plan they agreed to reduce the number of boards of health in the province from 42 to 32. That did not include the city of Toronto. They did so by looking at the costing of that and said that health units of less than a population certainly of 50,000 and even of 100,000 did not give that effective base to make it cost-effective. We agreed to do that and moved in that direction to seek to have ones with a population base of 150,000 to 250,000.

In the DSSAB movement at this time, there was already the potential of having at least 12, potentially 15, in place of the present seven northern health units — eight if you want to include Muskoka-Parry Sound. If you use this act and the area services board, it will be most beneficial for municipalities in a way to cut their losses by making their areas very small geographically and maintaining their maximum income base. Thus, we could have even more ASBs and DSSABs in the future and this would lead to even greater inefficiencies since every ASB under the act would become a board of health. We'd go from seven or eight to 12 to 15 and more, even having to have a medical officer of health and the infrastructure and all the rest, which of course I cannot see being fiscally reasonable or effective and efficient.

Second, the funding of public health services: In a document produced on the equitable funding of provincial public health services, it was found in the document applauded by Management Board of Cabinet that northern Ontario health units required 25% to 40% more per capita to fund than the average in Ontario, not on the basis of utilization but on the basis of objective needs identified in statistical studies.

As well, northern health units also take on the job of providing services and programs that are provided already by provincially funded institutions in the south that due to size and lack of staff resources are available in the north through health units. These include genetic counselling, speech language pathology and audiology programs. These are due to come off the books potentially on March 30, 1999 and it will fall into the hands of northern municipal taxpayers to pay for them, whereas in the south they are already available through provincial programs.

As well, there is the unorganized territory grant that has been made available to cover the wide areas. If one looks at our areas, those that are covered in municipalities and in the unorganized municipal townships comprise less than 10% of the area covered by the Northwestern Health Unit and the Thunder Bay District Health Unit. What will become of those? Who is responsible to cover those? At the moment, the district health unit and its board covers

those. The unorganized territory grants are also due potentially to come off the books at the end of March 1999. That will add further cost per capita, already alluded to by the KPMG study in Sudbury, increasing further the unfairness of the downloading process on northern residents.

That could cost up to \$20 per capita just on the loss of the unorganized territory grant alone. Therefore, we have to address that issue as well. How will that be handled, unless the government agrees, in a structuring model, to come into a joint funding mechanism in a true territorial manner and to ask for federal involvement as well, as already alluded to by Mr Pouliot, to deal with our first nation citizens? We want to be able to deliver fair and equitable services when they come on and off reserves. Will it mean that in the absence of it under ASBs only ratepayers are allowed the provision of public health services, as compared to the citizens of Ontario who may not reside within those municipal bounds?

So there are major problems to be dealt with in the funding to give fair, equitable coverage across Ontario. Unlike the other ones noted in your act as core programs, public health is not, I may say, municipally centric. It has to cover a wide area, including boundaries with the States, Manitoba and with our partners across the whole province for tight coordination.

That brings me to the third point, that the business plan approved dealing with equitable and excellent service delivery across the province, tight coordination provincially, laying out strong standards that have to be maintained and attained. In Bill 12 you would remove that further from the Ministry of Health into multiple-area services boards that have less potential to coordinate the need to respond rapidly to outbreaks of communicable diseases that require swift resources and coordinated action province-wide, and at times nationally, to deal with these issues. So again, we have to address that issue.

Finally, in the area of integrated health services, where already the Health Services Restructuring Commission has declared that we should form integrated health services and the Minister of Health has ratified that in the northwest and northeast, we had that challenged. Already the northwest integrated health network has agreed that public health is essential, but even the Health Services Restructuring Commission says that under municipal models and under this bill don't know how that would work at all, since it needs to be worked and coordinated with other provincially funded institutions, again bringing back the need to have cost-sharing between the province and municipalities to deal with it.

In summary, I feel we already have an excellent model of area-wide delivery in boards of health. They are the example for the province. If there is anything from this act to build on, it is to enhance boards of health as northern service boards with joint provincial-municipal funding and governance where required; to have northern service boards which could include land ambulance; and that district social services administration boards, DSSABs, can be considered as optional members when they are

ready to join a large area. Any board's form should the same bounds as boards of health or larger if amalgamation permits that and allows for greater efficiencies. Finally, northern boards established under this act must be fully compliant with other existing acts and legislation.

Thank you. That's the end of my presentation.

The Vice-Chair: Thank you very much. We have three minutes per caucus, beginning with the NDP.

Mr Pouliot: Mr Williams, I thank you very kindly for taking us on a tour of our vast and magnificent special part of Ontario. You're quite right: We represent respectively pretty well the same area.

The riding of Lake Nipigon extends to Hudson Bay, the northernmost community. I live in Manitouwadge and I've been there for 33 years. Our riding is 1,000 miles long. I'm closer to Toronto, being in Manitouwadge, than I am to some parts of our riding. It's 114,000 square miles, the size of Germany, and yet has only 33,000 people. It would be farcical if someone were to suggest that once the majority muscle is used, once we become like the others — are we to assume that every one of us will be getting sewers and water, as opposed to septic tanks? Of course not.

The sum total here when all is said and done is that no one benefits. There is a cost associated with these services which is right in front of you and then it only escalates. You too are the victim of downloading, except that in this case you don't have the ability to pass the buck to your commercial entity nor to apply for a new tax levy to your industrial entity.

0930

Ms Jones and Mr Smith who live in a small — hopefully with some relatively recent siding and a roof job. In those unorganized territories they pay \$200 to \$400 per annum in taxes. Now with the cost of a land ambulance, for instance, if it's passed along to them, their cost will not go down. It can only go one way and that's up. There is a reason why they choose to be there, which is that they can't afford to foot the bill in many ways. The municipalities don't want them. They see them as not paying their fair share, as being a little odd. They don't want to be with the municipalities, otherwise they would have moved there some time back — today or tomorrow.

The thing is, why would a government, except if it has ulterior motives, and the ulterior motive is very simple — they wish to save money because you've got to satisfy, among other things, a tax cut which is costing \$5.4 billion. Somebody has to pay, so you pick a little bit here, a little bit there and a little bit there. They call it new sharing arrangements and so on. They know it's downloading.

Mayor Krause of Schreiber is right at the back. He is trying to reconcile — he's sorry that he ran for office. I think he makes about \$4,000 a year doing that. He was telling me in the corridor, "I don't know what the tax bill will be." I mean, this is August. Their fiscal year ends —

The Vice-Chair: Mr Pouliot, we're running out of time.

Mr Pouliot: I sympathize with you. I agonize with you because there is no money to back this bill. This is taught

by the devil. The jackals opposite are shoving things down people's throats.

The Vice-Chair: Thank you very much. We move on to a government member, Mr Hardeman.

Mr Hardeman: Thank you, doctor, for your presentation this morning. It's a very well prepared and well-thought-out presentation, in particular as it relates to the issue of the differences between the situation as it sits in southern Ontario and in northern Ontario, and the large variance between the geographic area and the population and the assessment base that has to serve the needs of the people.

I think a big portion of your presentation deals with the realignment of services and the fairness and cost-effectiveness and ability of the local municipalities to raise the taxes to cover their share of those realignments. I would point out that the minister and the government recognize the same thing the boards of health have recognized: that there is a great a difference between the transfer of services in the north and in the south.

I would point out in the document I have here the fact of the community reinvestment fund, that you relate how much more of the geographic area is governed in the north than in the south. In the community reinvestment fund, the government allocated \$268 million to offset the disparity in the realignment between the provincial and municipal services, and \$268 million went to the north, which is 40% of the funding in that fund, because those disparities do exist, again to make sure that the needs of the north were looked after. There was another fund set up in a two-year program to help communities with the transition, and there again the north got 25% of those funds, recognizing that difference between the north and the south. I think we shared that concern with you and have addressed that in the grants that will come to the north to help offset these costs.

You put forward the issue that allowing municipalities to set up various service boards would somehow encourage them to divide up or to create more boards of health than presently exist. Recognizing that the intent of the legislation, first of all, is that it's enabling legislation, the requirement being, of course, that what they put forward as area services boards is the most cost-effective and efficient way of delivering the services they're going to be responsible for delivering, how do you envision that a municipality putting forward a proposal for doubling the number of boards of health would somehow be a more cost-effective and efficient way of delivering those services for the people they represent? If it's not, why would they want to do that if it's going to be a greater cost, recognizing it's a municipal cost we're talking about? In your view, why would they want to set up more boards of health in order to increase their costs to the taxpayers they represent?

Dr Williams: I think that's a good question. You have to look at examples that exist even presently in Ontario, where obviously it does not make sense to do that. But for cost expediency they would attempt to do that and probably not convene boards of health in the proper way.

We already have municipalities in the southwest of the province that at this time do not have in place the proper resources, in violation of the act, and are choosing to do so regardless of that.

Is that going to be enforced by the government, to ensure that if you're going to form an ASB, you have all the provisions, as if it was a board of health, all the resources under the Health Protection and Promotion Act? Unless that's provided, it will be required. That's the question we have to ask.

Already there are a number of them that have amalgamated or probably should amalgamate. In southwestern Ontario they have chosen not to, but have chosen also to disregard the requirements of the law in the acts and to continue to wait until they're forced either through legislation or through penalties/offences to adhere to those. It is concerning. I have those concerns and so does the Ontario Medical Association that provision of public health is not looking for the best benchmark but looking for the minimum you can get away with. I'm concerned about that.

The Vice-Chair: Thank you very much. We move on to Mr Miclash.

Mr Miclash: Before my colleague puts forth his question, Dr Williams, I think you've said a good number of things that we'll hear again from Dr Sarsfield in Kenora when the committee travels to Kenora. I have to thank you for your math at the end of your presentation because we quite often find that people travelling from southern Ontario just don't understand the distances and the cost of doing business.

You gave a great example of one-way airfares into some parts of your region as being between \$1,300 and \$1,800 — again just a good presentation and one that certainly puts forth some of the reasons why we have to be looked at as a unique area in Ontario.

Mr Gravelle: Thank you very much. Dr Williams, there are so many issues to discuss and very little time, obviously, but if I may, I'd like to give you the opportunity to explain why you feel strongly, as indeed I know you do, about the fact that public health itself being downloaded to municipalities is wrong and can be a danger. I'd love to give you that opportunity because from my point of view the process begins there. I still think we should be fighting that fight. I would love to have your thoughts on that.

Dr Williams: As we've expressed before, the Ontario Medical Association's concern is that public health across the whole country is generally run with tight provincial coordination because response has to be consistent and rapid in dealing with outbreaks of diseases. Infectious diseases don't respect municipal boundaries, and even provincial boundaries, to that extent. As a result, when they passed, we had the cost-sharing of the 75-25 in the north here, and throughout most of the province it allowed municipal input their chance to discuss accountability locally with provincial granting to give them equitable services.

With that loss at that stage — even now we've heard from Mr Pouliot — we've had to make some cuts. We've

cut two offices and staff in our smaller communities because they don't have the tax base to hold that together. Recently we had an outbreak of response to a food problem in southern Ontario and a federal problem, and we had to spend a lot of time following that up in northern Ontario. We didn't create the problem and yet the municipalities have to pay for the cost of dealing with the problem. It required tight provincial coordination and rapid response that even at this time was not as forthcoming as it should have been as fragmentation is already occurring.

It's essential that the province maintain a very well coordinated, tight public health program. One only has to look at the Time magazine articles about E coli and all the other outbreaks and the public demand and desire and expectation to have a public health system that responds proactively in a way that brings about a reduction in disease and illness, or a lot of apprehension and worry about them tend to turn into panic.

That's a provincial responsibility primarily with, I believe, as we have in the past, local input on our boards of health that gives local accountability and input that make it a community initiative as well. But they cannot afford it on their own. There are a number of initiatives that are required province-wide and nationally.

The Vice-Chair: Thank you very much. I'm sorry, we've run out of time. We appreciate the comments you've made here before the committee.

0940

CITY OF THUNDER BAY

The Vice-Chair: I'd like to call upon the representative for the municipality of Thunder Bay. I believe we have Brian MacRae here. Good morning, Mr MacRae, and welcome to the standing committee on general government.

Mr Brian MacRae: Good morning, Madam Chair, and thank you very much to you and members of the committee for hearing our presentation this morning.

First of all, I would like to say that the presentation you're going to hear was before our municipal council last night and was unanimously endorsed and therefore is before you having been duly considered by council.

The issue of service delivery on an area-wide basis has actually been on the city's agenda for some time — in fact, we can go back to late 1997, early 1998 — and through a resolution of council a committee representing the city, the Thunder Bay District Municipal League and representatives of the unincorporated areas spent a good deal of time meeting for the purpose of developing a mechanism to address the delivery of various services on an area-wide basis. We did recognize the value in that for at least some of the municipalities in the district and worked diligently to try and accomplish that.

Although the committee did achieve consensus around a service delivery model, that model unfortunately was not endorsed by the majority of the members of the Thunder Bay District Municipal League. Therefore we were unable

to reach a satisfactory agreement by the government-imposed deadline of March 31, 1998. As a result, the city, frankly through no fault of its own, found itself in the default position resulting in the creation of the provincially ordered district social services administration board, or what I will call DSSAB from here on, for the entire district, as well as finding itself part of a working group with representatives of the province and the district to discuss representation on the said DSSAB.

The working group in turn developed a proposal for presentation to municipal councils around the district before July 15, 1998. On July 13 our municipal council dealt with the matter and passed a resolution indicating two things: number one, and I think it's important to highlight number one, that they did not support the DSSAB governance model, period, and that they did not support the representation model that had been put together by the working group.

Council further requested a meeting with both the Minister of Community and Social Services and the Minister of Northern Development and Mines to discuss the inappropriateness of the government's decision and to offer viable alternatives. We weren't there just to complain. We were there to say that we didn't believe the model worked and that there were viable alternatives. Unfortunately, the ministers were unavailable to meet and as recently as yesterday His Worship Mayor Ken Boshcoff received a letter from ministers Ecker and Hodgson indicating that the single DSSAB would stand for this district. As a result of that they passed a resolution last night expressing great concern with respect to continuing with the DSSAB model and again have asked the ministers to reconsider their position in that regard. I offer this as history, because it does tie directly into the area services board issue that is before you in the legislation you're dealing with here.

As you will have already understood, we have expressed on several occasions our concern with respect to the establishment of a DSSAB or an area services board. In our view, either board, be it DSSAB or ASB, will simply result in additional costs for the administration of the defined services for all the residents under its jurisdiction and will add no value in terms of client service. A DSSAB or an ASB simply creates another level of government, and does so at a time when the province has indicated in its own consolidated service management document a desire to build effective local systems in the disentanglement of government services.

The provincial government has also stated that opportunities would arise to simplify access to services and to serve clients better, with a stronger focus on coordination, sharing of resources and economies of scale. The city of Thunder Bay does not see that the creation of a DSSAB or an ASB will accomplish these objectives. In fact, we see the exact opposite being true. We see another level of government being laid over top of an already effective service delivery mechanism and infrastructure, with absolutely no benefit to the clients in this city.

Further, we believe the assumption that one model would serve the needs of all districts in northern Ontario is flawed and does not take into consideration the differences in terms of distances and populations that need to be served. For example, the districts of Kenora and Rainy River have population bases of roughly 36,000 and 18,000 respectively, while the population of the district of Thunder Bay is about 149,000. The largest municipalities in the Kenora-Rainy River districts represent 26% and 45% of their populations respectively, whereas in the Thunder Bay district, the city by itself represents about 80% of the 149,000 population in the district. It is a very different situation, a very different circumstance. To look at a model that may work in Kenora and suggest that the same model could work as effectively in Thunder Bay without considering the merits of that just does not make sense to us.

The city of Thunder Bay notes that there are existing representation problems on other boards, such as the district health unit and the Lakehead Regional Conservation Authority, whereby representation is not consistent with funding obligations. The city is trying to avoid another situation where the voting power of the elected representatives does not in any way represent the size of either their respective constituencies or their financial obligations.

If the intent, and I do say "if," is primarily to provide services and an appropriate taxing model for residents in the unincorporated areas of northern Ontario, a model to provide residents in those areas with services, some of which they may already be accessing in neighbouring municipalities, and shifting the responsibility for taxing to those municipalities for recovery of costs, could be achieved without, in our opinion, the overkill of another level of government.

To reiterate, the citizens of Thunder Bay will receive no added value with the establishment of either a DSSAB or an ASB. The residents will experience the additional costs of administering services for the district when the city currently has the infrastructure in place to satisfy the needs of its own residents. The other municipalities and unincorporated residents in the district could use the existing assets at less cost in a contract-for-service arrangement than will be the case with either a DSSAB or an ASB.

We're not saying that there shouldn't be some rationalization of government service. We're saying that through a contract-for-service-delivery model that can be achieved in a more effective way than through the creation of unnecessary levels of government or bureaucracy.

The representation currently being considered for the DSSAB is inconsistent with the population distribution in the district. With the city of Thunder Bay having approximately 80% of the district population and over 80% of the weighted assessment base, it seems to us unreasonable to be put in a position where a number of municipalities with small populations could dictate service levels and costs that would end up as an additional tax burden to the residents of the larger municipality.

0950

As stated in a previous submission to the province, the representatives of the unincorporated areas, as well as the city, want to avoid an unnecessary structure, either in the form of a DSSAB or an ASB, and the unincorporated areas have supported the city's position that a contract-for-service model would be the most cost-effective basis on which to deliver services.

It is and remains the city's position that a contract-for-service arrangement would be the most cost-effective for the district of Thunder Bay, as well as the city of Thunder Bay. This type of arrangement would — and this is important to all of the municipalities in the district — leave control in the hands of local municipal councils, while still allowing everyone to gain the economies of scale for residents within their jurisdictions. This arrangement would also negate the necessity for establishing further bureaucratic structures that are unnecessary when there are already structures in place throughout the district to accommodate delivery of services, be they long-established services or newly downloaded services.

Whatever model is agreed to, it should produce savings among the small municipalities but it should not do so at the expense of the larger municipal units. Due to the distances involved in the district, it may make sense for a group of like municipalities to collaborate in the delivering of services without being dictated to by a board that may try to apply a one-size-fits-all model. A contract-for-service provider model or, in the short term, a two-DSSAB model such as the model that has been implemented in the Sault-Algoma region would be the most appropriate for the district of Thunder Bay and would achieve the government's consolidation objectives and be the most cost-effective approach.

To be clear here, we believe the contract-for-service delivery model is the most appropriate. Failing that, we believe a two-DSSAB model is a reasonable compromise that could allow the municipalities within the district to maintain local control and, at the same time, achieve the government objectives of consolidation and cost-effectiveness.

We should also point out that we do not see the establishment of a DSSAB as necessarily or automatically resulting in a move to an area services board. That said, we feel it is also appropriate to voice some specific concerns regarding the creation of an area services board.

A review of Bill 12 in comparison with the original Bill 174 shows minor changes, even though concerns were expressed on several occasions. The city of Thunder Bay, as well as many other municipalities, expressed opposition to the taxation models inherent in Bill 12. The taxing model described in section 44, which allows for the municipality to use its own tax ratios, meets the needs of municipalities and allows the councils of those municipalities to determine the appropriate tax policies for themselves. The elimination of section 44 on a date to be determined by the minister is not appropriate for the city of Thunder Bay and would absolutely preclude any reasonable opportunity for the city to become part of an

ASB. The city could never envision being part of a structure where the taxing model in section 49 would be applied, allowing the ASB to determine the tax ratios for all of the municipalities that are represented through the board.

The application of this taxing model at a date determined by the minister would remove the ability of the council of the municipality to set tax policy that they feel would be appropriate for their own municipality and potentially shift and impose a tax burden on the citizens of the municipality without all factors being considered.

In a survey of the transition tax ratios of the 18 municipalities in the district a wide range was evident. The use of section 49, where the ASB determines the tax ratios for both the ASB and for its own municipal purposes, could create havoc within individual municipalities whose current ratios differ significantly from those which would be established for an ASB. A municipality with a high tax ratio in the commercial or industrial classes that was subject to the application of an average ratio calculated by the ASB could face a major shift of the tax burden that would be simply unbearable to its residential taxpayers.

An ASB may be appropriate in areas without the large disparities in population. Thus, the city of Thunder Bay strongly supports the principle that the legislation, if it continues through the Legislature, should not be mandatory but permissive, as is currently the case, allowing some — again, albeit very limited, given what has happened with the DSSABs — flexibility to accommodate the needs of northern residents.

In summary, we have consistently voiced our concern relative to the inconsistencies in the message being sent from the province in its documentation and the actions being taken with the imposition of DSSABs and the approach to ASBs. More government, in our opinion, is not better government and we need to ensure that models such as DSSABs or ASBs are used only in areas where they are widely supported and make sense in terms of service delivery and cost-effectiveness. Unfortunately, such is not the case in the context of the proposed models and the district of Thunder Bay, especially the city of Thunder Bay, which is home to about 80% of the district's population.

The Vice-Chair: Thank you very much, Mr MacRae. We have about a minute and a half for each caucus. We'll begin with Mr Hardeman.

Mr Hardeman: Thank you, sir, for your presentation. I realize that a lot of your presentation is hinged on the premise that in the DSSAB or an area service board you have a problem with a disproportion of your population being in the city and a much smaller amount — an 80-20 split between the rest of the district and the city of Thunder Bay. You suggested that would make inappropriate types of decisions with the city not being able to speak with a voice in proportion to the amount of the assessment they would pay for any of these services, regardless of which board we would be referring to.

In the setting up of the DSSAB — in fact the issue of the representation on the board has not yet been set; how many there should be has yet to be negotiated — is it achievable to receive pay-for-say proportionately by having a 80-20 split on a board of either an area service board or the DSSAB?

Mr MacRae: In theory, I think it is achievable. The reality we're faced with this morning is that Ministers Ecker and Hodgson have announced that the DSSAB model for the district of Thunder Bay will be a 13-member board with six representatives from the city, five from incorporated municipalities in the district, one from the unincorporated areas and one appointment by the Lieutenant Governor in Council. What that essentially does is ignore the reality that the substantial majority of the population is resident in the city of Thunder Bay and in fact not leave with Thunder Bay representation that is consistent with either the amount of the population or the fact that the city is paying 80% of the bill.

Mr Gravelle: Thank you very much, Mr MacRae. What do you think is the real intent of the legislation? It has interested me. In many ways what we've got is warring legislation. As you know, you've got 152, which is the DSSAB legislation, and then you have Bill 12 being thrown in. What do you think is the real long-term purpose? As you pointed out, area service boards are in essence setting up another level of government — there's no question about it — and in your opinion, and in the opinion of many, they won't deliver services any better or more efficiently and at less cost. What do you see as the long-term intention of having this legislation go forward this way?

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Mr MacRae: I think the long-term intent was to improve service delivery, especially in and among the smaller municipalities in the district. I think that is a laudable and an appropriate intent. Unfortunately, I think there are mechanisms in place that would allow that to happen in a more cost-effective way than the approach that is being put forward here. I think it's also again unfortunately the case that there seems to be a willingness to inflict additional costs and potentially an inability to provide the same level of service on, in this case, the one large municipal unit in the district. I think the consolidated service delivery approach has some merit. What we need to do is look at a way of achieving that without taking away the authority and the power that elected representatives of individual municipalities should have as they represent their constituents, and we should also look for a cost-effective mechanism for meeting the objectives of this government.

Mr Len Wood (Cochrane North): Along the same lines, when Bill 174 was introduced and then replaced by Bill 12, we were told that there was broad consultation across northern Ontario and everybody was satisfied with the minor changes that had been made in Bill 12, even though we questioned whether this was just another tax grab from the unorganized areas. Some of them are satisfied with the services they're getting right now. This

is why they're living in unorganized areas. They don't want more policing, they don't want more opportunities for land ambulances. They're getting all those services now.

In your opinion, is this just a way of bringing the tax levels of the unorganized areas closer to what the organized areas are paying as the provincial government stops giving grants and continuing to support the unorganized areas?

Mr MacRae: In my personal opinion, yes. The initial intent I believe was to look at a different taxation model for the unincorporated areas. That, coupled with forcing different levels of service on many of those areas, led to a need to change the taxing model. Rather than look for an effective way to deal with service delivery on an as-needed basis in the unincorporated areas and to find an appropriate taxing mechanism, we've gone to what I've referred to as, and strongly believe to be, absolute overkill in terms of another level of government.

The Vice-Chair: Thank you very much for being here this morning to give your presentation.

ASSOCIATION OF MUNICIPALITIES OF ONTARIO

The Vice-Chair: I would like to call upon Michael Power, the president of the Association of Municipalities of Ontario. Good morning and welcome to the standing committee on general government. You have 20 minutes in which to make your presentation. You may use all or part of that, and if there is time available, we'll ask for questions from the caucus representatives.

Mr Michael Power: Thank you, Madam Chairman. It's a great pleasure to be with you, members of the standing committee. I want to thank you on behalf of the Association of Municipalities of Ontario for the opportunity to appear before you today to present issues which are crucial to municipal governments across northern Ontario.

My name is Michael Power. I am the president of the Association of Municipalities of Ontario. I'm also the mayor of the town of Geraldton, centre of the great northwest, and as such a northern Ontarian. I would like to divide my comments into two parts. Sometimes it's difficult to wear two hats but I'm going to attempt to do that with you this morning. I want to speak to you as the president of the association and fit our comments within our general policy framework. Then I'd like to share some comments with you as the mayor of the town of Geraldton from northern Ontario. I hope that will be acceptable.

This legislation holds a great deal of interest for all of us here in northern Ontario. As many of you know, AMO has consistently maintained that municipal governments must be given the tools and the accompanying flexibility to make local decisions regarding governance structures and service delivery. This is at the core of all AMO input and feedback to the provincial government on municipal initiative. Flexibility in legislation and the development of minimal regulation are critical to the successful transfer of

roles and responsibilities from the province to municipal governments. Members of the committee, I cannot but underline the words "minimal regulation." That is absolutely crucial.

We have been asking the province for years, as municipal authorities, for the autonomy that goes hand in hand with ever-increasing responsibilities. Managing key services in our communities in a way that reflects local priorities, local innovation and local accountability is our business. As partners in government, municipalities are in the best position to determine the approaches and methods we need to manage more effectively and more efficiently.

Overall, I have to say that we are pleased with this legislation because it does just that. The government has presented us with enabling legislation that permits northern municipalities to establish area services boards should they choose to do so, and we underline the word "choose" in this case.

I believe it's important that we consider the intent of this legislation within the context of municipal government realities. We believe the government's intent with this legislation is to enhance the strong and vital role of municipal governments in northern Ontario, and that is a laudable goal. It is particularly critical in the face of the challenges which lie ahead in taking on the new responsibilities as part of the government's local services realignment.

With this legislation, northern municipal governments will be in a position to review options for governance and service delivery and to make local decisions regarding whether or not an area services board makes sense in their particular circumstances. The government must remain diligent in this regard as the legislation is reviewed and approved.

It is of vital importance that the development of subsequent regulations does not undermine the flexibility and the latitude that the bill as currently written provides to northern municipalities. Specifically, we caution the government not to undermine this positive permissive framework with overly restrictive regulations or highly specific principles for ministerial approval of municipal proposals. I think we can all agree that we must ensure that the flexibility provided through the draft legislation is not lost and that municipal governments, not the minister, are ultimately accountable for decisions regarding the delivery of municipal services.

Further, we believe that property taxpayers will be well served when municipalities make their own decisions on board structures, boundaries, cost-sharing approaches and services to be included in area services boards. This legislative framework is necessary so that local decisions can be made regarding the consolidation of municipal services. As such, this legislation must allow municipalities to make their own decisions about whether to move forward with a district social services board or to establish an area services board with a broader range of services.

In this respect, AMO contends that the ultimate success of this legislation will relate to the level of municipal government decision-making in developing appropriate

mechanisms to carry out service responsibilities. The government must recognize that the solution may very well look different from community to community in relation to local conditions, opportunities and challenges.

AMO continues to take the position that municipalities need the tools to manage new funding responsibilities. Further, these tools should be fashioned in such a way as to assist municipal governments to maintain priority services without a major impact on property taxpayers.

An important consideration in funding municipal services is that property taxation matters are the responsibility of elected councils. Decisions affecting local services and service costs to the municipal property taxpayer must be made by duly elected municipal officials who are accountable to those taxpayers. Accountability is the expectation of property taxpayers, an expectation that must be met.

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AMO believes that municipal input in the development of these regulations as well as the principles for ministerial approval of area services boards will be critical to the successful implementation of this act.

We are pleased to see the high level of municipal involvement in developing this legislation and expect the government will continue to work closely with municipalities in the next critical phase of its implementation.

Where municipalities choose to pursue the establishment of an area services board, it is obvious that property taxpayers will be best served when municipalities are in a position to make locally appropriate decisions.

Municipal elected officials must be provided with the authority to make and implement these local decisions in order to have accountability for service delivery and costs to the property taxpayers of their communities.

AMO supports this legislation and supports the work of the Ministry of Northern Development and Mines to implement this legislation in a way that will maximize its effectiveness for northern municipalities.

We look forward to working with the Ministry of Northern Development and Mines in the very important implementation and policy development process arising from this legislation.

Having said that, I have a couple of comments as a northern municipal mayor. May I say to you that it is most unfortunate that the thought and the philosophy and the theory of Bill 12 were not carried forward in advance. Unfortunately, we have seen here in northern Ontario the imposition of district social services boards without the willingness of the local municipalities, without the true consultation and the true input of the communities so affected. Had we had the philosophy of Bill 12 in place first, Madam Chair and members of the committee, I put it to you that that would have been a much more acceptable solution for the delivery of social services and other services here in northern Ontario.

There are a number of us who have a concern, our concern being that this is the thin edge of the wedge for regional government. We have been very fortunate and very lucky here in northern Ontario in that we've escape

this so-called solution that happened in some parts of southern Ontario. We have had a form of one-tier government that has worked very effectively for us in the north. It worked here because we are different, because our distances are great, because the needs of our citizens are slightly different. Over the years we've developed very effective mechanisms for delivering the services that our citizens want and require.

We believed that area services boards would continue in that tradition, would allow us to have the local choice, the local flexibility. The imposition of the DSSABs, which has already happened, has taken that away. We need to alert you, and if you haven't already heard as members of the committee, you will hear from northerners as you move across this greatest part of the province in terms of area. You will hear anger, discontent and disquietude about the action that was taken in imposing DSSABs. It becomes then very difficult once the government has made those decisions to undo those threads and to take advantage of the flexibility, to take advantage of the local decision-making that is promised in Bill 12.

We fully recognize as northerners the difficulty you faced as a government in trying to move forward on all fronts at once but we did urge you, and unfortunately it wasn't heard by those of you here in the north, we urged you to wait, to put Bill 12 in place first. Let us in the north make our own decisions. I suggest to you that unfortunately we now have a bit of a difficult road ahead.

With those comments as a northern mayor, I just suggest to you that we are willing to work to ensure that the flexibility and the local decision-making promised in Bill 12 occurs. We are willing to do everything we can to ensure that the bill meets our needs here in the north and that you truly do, Madam Chair and members of the committee, hear us about not imposing overly strict principles when it comes to ministerial approval and that you do not rely on regulations as the methodology for seeing that Bill 12 works.

I thank you for providing the opportunity for me as the president of the Association of Municipalities of Ontario and as a northern mayor to address you here today.

The Vice-Chair: Thank you very much. We have time, three minutes per caucus, beginning with the Liberals.

Mr Gravelle: Good morning, Mr Power, and welcome. It's always interesting in terms of your two hats — at least two hats — as president of AMO and mayor of the fine community of Geraldton. The question I want to ask is: You made it very clear, and strongly so, about the importance of local decision-making, about how communities have different needs and they express them.

Tell me how you think the area services board model which is, in essence, a form of regional government — you described it as the thin edge of the wedge. I think it's more than that frankly, but I would like to hear your thoughts on it. It seems to me that ultimately what an area services board will be in not allowing the amount of local decision-making — that it won't be there because it'll be another level of government that will be making decisions in a variety of areas in delivery of services. If you can

respond to that because I'm not sure that I still see the possibility of local decision-making having its impact if these boards are put in place.

Mr Power: In terms of the bill, it's very clear that the local communities must decide whether they wish to take advantage of it. There's a sunset clause within the bill. Local decision-making is there. If municipal authorities, the councils of various municipalities in their wisdom choose to enter into an arrangement with an area services board, then, on behalf of their citizens, that's their choice. Some of us may not agree with the choice that they make, but that is their choice on behalf of their citizens. That is one of the essences of the bill that we have to support in the sense that the choice is there.

A concern was as a local — and AMO supports that idea of local choice. We've supported it all along. We have said continuously that one size does not fit all and that governments need to be able to allow solutions with different elements to occur in different parts of the province — if communities coming together decide that they believe they can deliver services to their constituents in a more appropriate fashion through an area services board and they choose to enter into such an arrangement, that really should be their choice. The elements of it are there. I think what I was indicating was that, unfortunately, the imposition of DSAABs really weakened the philosophy of choice that was presented with Bill 12.

Mr Pouliot: Thank you, Your Worship, Mayor Power. Congratulations on your second term as the president of the Association of Municipalities of Ontario which represents, I trust, some 93%, 95% of the overall electorate in the province. That's commendable indeed. Then you switch hats and talk to us about your bread and butter, your soul, your heart, which is the town of Geraldton. That's where I wish to focus, if you will with me.

By way of a question, I have a short prelude. I was in Nakina last Sunday and people were talking about Greenstone. It could have been Angelica, Beardmore, Longlac, Geraldton; it's the same. It's not so much a reluctance, it's the ability to be asked, to be consulted, to decide yourself about your future, not to have someone say, "You must pay for this" or "not pay for that."

Very candidly, if the people, and that's only speculation, were asked in the unorganized territories if they were in favour of Bill 12 — because it is their affair; this is what they will have to live with when Mike and the gang is finished with them; they'll be asked to live with that — how would they voice — because it is, again, their affair, their circumstance — "Do you wish to stay the same? Do you wish to go on Bill 12?" If there were a referendum, how do you think people would vote?

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Mr Power: As you know very well, Mr Pouliot, I don't represent an unorganized area; I represent an organized area. As such, I can echo the comments that many of my northern colleagues have echoed over the years, that we believe everybody should pay for the services they receive. For a long period of time, as you well know, the

unorganized representatives have not, in the view of the organized municipalities, paid their fair share.

May I give you a personal example? My camp — as you know, we call cottages up here in the north a camp — is exactly 12 minutes from the municipality I have the pleasure of representing. It's there because I can access all the services that exist within that municipality. My camp happens to be on an acre of land on the lake. It's a three-bedroom made by Lindal Cedar Homes and I pay \$21 a year total in taxes. I don't think that's fair or reasonable because I receive services in that area of more than \$21 a year. So I can say to you what the elected representatives of organized municipalities in northern Ontario have been saying for a long time.

Now, if I may put on the other hat again — as you know, I wear many hats — as a resident of the unorganized, if you came to me and asked me: "Sir, you have never paid. Are you willing to pay?" I'm going to say: "Hey, are you kidding? Why would I willingly agree to pay?" I think that's where you were driving your question. We have to look at the element of fairness. The people who live in organized communities expect that element of fairness.

Mr Pouliot: But I cannot afford such luxuries.

The Vice-Chair: Mr Pouliot, we've run out of time. We'll move on to Mr Hardeman.

Mr Hardeman: Thank you, Mr President and Mr Mayor, for your presentation this morning. The first presentation we had this morning was from the chamber of commerce representatives, the president and the vice-president. Their concern with the bill was that it was, as was previously discussed here, another level of government. Their suggestion was that the ability already existed for municipalities in the north and elsewhere in the province, through annexations, boundary adjustments, amalgamations and so forth, to deal with this area service delivery model. You didn't need permissive legislation to create another level of government.

I'm sure you're aware, representing AMO, that the ability to do amalgamations and restructuring in the province is there and has been used in a number of places, somewhere close to where you're from.

Mr Power: We're all there.

Mr Hardeman: At least it has been attempted to be used. So the ability to do that is there, yet it doesn't seem to be working to the best advantage of the people in the north in all areas.

Could you explain to me why you would suggest that this is not another level of government and that this is a way of dealing with this issue of what municipalities in the north have been telling the government and myself personally as we've talked to them, that we need to have a way of delivering services other than amalgamating and becoming one municipality, because there are a lot of downsides to doing that. Could you tell me why you think Bill 12 will solve that problem or why it's better than the amalgamation process?

Mr Power: It's better than the amalgamation process because it provides the choice, the local option and the

local flexibility. I didn't say it wasn't another level of government. I happen to believe, as a northerner, that it is and could be another level of government. It creates a special-purpose body that is not elected. It may be made up of councillors but they are not elected directly to that board to put citizens' views forward. But it does allow the unorganized communities to remain with their distinctiveness and remain essentially as they are. It provides the opportunity for them to pay for the services they now receive and are going to continue to receive in our province but it doesn't insist that they become part of a larger community or a larger land mass.

Amalgamations and annexations in the north have been very difficult because of the deep pockets of some of the private companies. I don't think it's any secret that I come from a municipality called Greenstone that has attempted to amalgamate. It's now before the courts because of the interference, the interjection of objections from a very large corporation, namely, TransCanada PipeLines, to whose advantage it is to delay it as long as possible in the interests of their shareholders so that instead of paying taxes to the municipality, they can pay dividends to their shareholders. We all understand that.

The Vice-Chair: I'm sorry. We've run out of time. We appreciate you coming before the committee here this morning. Thank you.

NORTHERN LIGHT LAKE ROADS BOARD

The Vice-Chair: I'd like to call upon Bill Pilot, the chair of the Northern Light Lake Roads Board. Good morning, Mr Pilot, and welcome to the standing committee on general government.

Mr Bill Pilot: Good morning, ladies and gentlemen, Madam Chair. I'm Bill Pilot and I'm the chairman of the Northern Light Lake Roads Board. Our presentation this morning is to you on behalf of the Northern Light Lake Roads Board and our ratepayers to express our concerns and opinions on the Northern Services Improvement Act. I'm going to take you on a bit of a walkabout and then we'll have a short history lesson, because geography and history are two important things with respect to our particular case.

Our local roads board is located at the terminus of highway 588, approximately 80 kilometres southwest of the city of Thunder Bay. We maintain approximately 60 kilometres of local roads which afford access to hundreds of lakes and uncounted rivers and streams within over 730 square kilometres of our local roads board territory. Included within our area is a provincial park reserve and a significant percentage of the Lakehead forest. We have 225 private properties with just over 400 ratepayers in our area, but our board is almost exclusively seasonal, with only two year-round residents. Over 98% of the area we provide access to is crown land.

Using Ministry of Transportation traffic studies and extensive local knowledge, it has been determined that our ratepayers are a minority user group even though we are the only ones contributing directly through taxes to the

maintenance of the local roads. It's further important to note that less than 20% of our ratepayers have direct access from our local roads to our properties. Over 80% of our ratepayers not only have to pay taxes to maintain the local roads that the general population, tourists, hunters, anglers and the woodlands industries use for free, but also have had to build and maintain, at their own personal expense, access roads to our own properties. Essentially, the road is a road to the area, not to our camps.

Our local roads board was initiated in May 1995 after it became apparent through lengthy negotiations with the Ministry of Natural Resources and three ministers of the previous government that the government of the day was no longer prepared to maintain the existing forest access roads in our area, much less live up to their written promise to upgrade the Northern Light Lake Road to highway standards and have it become part of Highway 588. This decision was taken in spite of the fact that hundreds of thousands of taxpayers' dollars had already been spent on upgrades of the Northern Light Lake Road to MTO highway standards.

Our ratepayers realized that they had to take the initiative, even though we were, as mentioned earlier, the minority user group. They voted overwhelmingly, 85%, in favour of forming our local roads board and became the only group paying directly for the maintenance and upgrades of our roads. As well, an existing roads board, the North West Arrow Lake Roads Board, voted in 1995 to dissolve their roads board and amalgamate with the newly established Northern Light Lake Roads Board even though they were under no obligation to do so and under the full understanding that this would result in an increase in taxes paid.

All these actions were initiated before the current government was even elected and its current policies put into place. Our ratepayers in an unincorporated area believed that everyone should pay their fair share and amalgamations that made sense should only be undertaken after a true democratic vote was held. Our decisions to form and amalgamate were based on assurances given to us by the various ministries and the ministers involved that the current cost-sharing levels would remain in place and that a change in legislation would be required to revise it.

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When we examined the percentage that our ratepayers used the roads and the 1995 funding level of two to one, it seemed a fair and reasonable split. Bill 26, the Savings and Restructuring Act, changed that in 1996. Cost-sharing levels were no longer guaranteed by legislation. The levels were in fact reduced to one to one arbitrarily by the Minister of Transportation immediately thereafter.

Our local roads board expressed our concern to this change in a letter to the Honourable Al Palladini, the Minister of Transportation at the time, and identified that our ratepayers would now be paying more than their fair share. We were reassured, in a letter dated August 26, 1996 from Mr Palladini that his ministry, along with several others, was examining different alternatives to

ensure that local roads boards are provided more autonomy and responsibilities to ensure that they are able to manage their affairs and have the flexibility to adjust to changes.

The proposed legislation, the Northern Services Improvement Act, does not meet the objectives outlined in Mr Palladini's response to our LRB, but rather will, in our board's case, result in increased taxes and potentially less services, something contrary to what the title of the legislation suggests. The legislation, if not properly amended, will further increase the unfair tax burden on our ratepayers by over 200% for roads alone.

With the stated objective of the elimination of the Local Roads Board Act and the associated provincial credits and allowances for crown land, our ratepayers will now be required to pay 100% of the maintenance and upgrades of our Northern Light Lake Roads Board roads. The tens of thousands of hunters, anglers, tourists, recreational users, large resource industries and small woodlands operators will get to use our roads for free, while the property owners in the area will shoulder the entire tax burden.

One wouldn't expect the city of Barrie to pay the entire cost of Highway 400 end to end, merely because they are the largest and most easily identifiable municipality on the route, and one should not expect our ratepayers to pay 100% of the roads in our area either. Like the city of Barrie we, although perhaps an important player, are minority users. The goal of the proposed legislation, to allow residents of unincorporated communities to share in the costs of providing local services to which they have access, will now have been reversed. Our property owners in our unincorporated territory will now be providing free services to other users from outside our local roads board area.

We are also concerned that the proposed legislation will decrease the level of democracy for our ratepayers and decrease accountability of officials. All ratepayers today have the chance to provide direct and face-to-face input with respect to how roads are maintained and how moneys are spent. Our concern is that the proposed legislation will result in very large roads departments and we will see ongoing fiascos repeated, like Highway 588 this year where safety was compromised and numerous cases of damage to vehicles occurred.

Compare this to today, where not only do all ratepayers get to vote for their representatives but also get to vote directly on levels of taxation through minimum tax levels and can pass resolutions determining which roads are maintained and what levels they will be maintained at. The trustees and the MTO have the ultimate responsibility for this latter point, but rest assured the voters' wishes are given very serious consideration.

The proposed legislation will also change how taxes are assessed. Our ratepayers have already democratically decided through a vote at an annual meeting to set the minimum tax at a certain level so that practically all pay the minimum tax or close to it. Essentially, everyone pays the same amount. The new legislation will very likely eliminate this and we will now pay based on our

assessments, something that our ratepayers have already experienced and rejected as unfair.

Local roads boards and the existing legislation should be allowed to stand unchanged where no significant need for core services is provided or warranted. Perhaps the only change that should be made is that the level of funding previously provided and written into legislation should be re-established so that our and other roads boards get their fair and reasonable funding guaranteed, rather than being provided or changed at the minister's whim.

The proposed legislation will also require our ratepayers to pay taxes for Ontario Works, child care, public health, social housing, schools, homes for the aged, land ambulance service and possibly taxes for economic development, airports, land use planning — it goes on and on.

With virtually no year-round residents, our ratepayers will be forced to pay for many core and additional services that are not used and likely never will be used in our area. Our roads board and our ratepayers believe that everyone should pay their fair share and we adopted and implemented this philosophy before the current government made it their platform under the Common Sense Revolution banner. We do not, however, believe that we should be obligated to pay more than our fair share. The proposed legislation, unless amended, will do just that. We do not mind paying our fair share of roads, policing, ambulance and waste management, but to pay for welfare, child care, schools etc when they are not being used in our area and when we already pay for these at our primary residences is an injustice.

We suggest that the legislation be amended to provide a tax credit for those services not used or available in areas if already paid by the taxpayer at their permanent residence. This would ensure that all contribute and no resident be obligated to pay twice or more for the same service delivered only once.

If our governments can set up a sales tax rebate system for Americans visiting our country and advertise this at border crossings with full-scale billboard advertisements, the least it can do for its own citizens is set up a tax rebate system or, better yet, a tax reduction system to ensure we do not pay for the same service twice.

We also suggest that a mechanism be put in place to ensure that our residents pay only their fair share of the core and additional services used by the ratepayers in our area. With over 98% of our territory being crown land, tens of thousands of other users, large and small woodlands industries utilizing our area, it is not fair that only 225 properties pay 100% of the road maintenance, policing, ambulance etc. Again, the analogy of the city of Barrie and Highway 400 holds true: We don't expect Barrie to pay 100% of Highway 400, so don't expect us to pay 100% of these core and additional services either.

The Local Roads Boards Act and credits from the MTO at 1995 levels and allowance for crown lands was fair and reasonable when we undertook to form our roads board and still is the fairest and simplest mechanism that

exists today. We strongly suggest that if the government is truly serious about ensuring that local services be provided in an efficient, cost-effective and fair manner, it preserve the Local Roads Boards Act and maintain and support the municipal section of the MTO. The municipal section has done an excellent job in the past and has the expertise and skills already developed to ensure the economies of scale and the delivery of safe roads meeting provincial standards at a reasonable cost. Rather than cutting back the municipal section and LRBs, we strongly suggest that the provincial government lobby the federal government to immediately start investing the billions of dollars collected from fuel taxes back into roads rather than putting them into general coffers.

Of course, it almost goes without saying that the Ontario government should do the same. We pay for our roads and associated services every time we pull up at the pumps but very little of what is collected is put back into the roads system. Ontario should be demanding that we receive our fair share rather than passing the costs on to local governments.

In summary, we believe and support the philosophy of fair and equitable taxation for all but it has to be truly fair. We are convinced that the proposed legislation, as drafted, will result in very substantial increases in taxes with no service improvements for our ratepayers. We ask that the government revise or make allowances for the points we have raised to ensure that in your drive to right some past wrongs you do not create a number of new wrongs for our taxpayers. If the changes we suggest are not made, we fear the proposed legislation will legalize the theft from our taxpayers' pockets to help pay for the government's political agenda associated with reducing Ontario taxes by passing the burden on to local governments.

The Vice-Chair: Thank you very much. Beginning with the NDP caucus we have about two minutes per caucus. Mr Pouliot.

1040

Mr Pouliot: That's action directe, a direct approach, and I thank you, Bill.

I did some reminiscing while I listening to your presentation. I was the Minister of Transportation and Minister of Northern Development and Mines when you had the 2-to-1 ratio. I guess I can — it's my job too with the opposition to impute motives. You're saying that with Bill 12, as is, the people you represent will have difficulties making ends meet, and in some cases for roads alone their taxes will double. Are you fairly secure in saying this morning that the people you represent would definitely oppose what is being proposed if there are no amendments or changes?

Mr Pilot: I believe they would perhaps be a little more vocal and perhaps even a little more opposed than I am. However, their actions do speak for themselves. They have already examined the roads boards system. They have bought into it, so I believe common sense would prevail. I think our ratepayers are prepared to pay their fair share, but nothing more.

Now, with respect to it being a hardship, any time you increase the level of taxes by 200% to 300% just for roads — and in fact it may be seven or eight times as much — yes, that's going to be a hardship. Our ratepayers, it should be mentioned, invest in Ontario and invest in Canada. We have cottages here. We do not take our money to the States or Cuba or elsewhere. We invest here; we should be supported here. We should not have all these impediments and roadblocks thrown our way for investing back in Canada.

Mr Hardeman: Thank you, sir, for making your presentation. I appreciate the issue of the roads funding as it presently exists, and the MTO funding was 2 to 1 and is now 1 to 1 on the local roads boards. I want to point out for your information and for those gathered here that the issue of proportion — what the province funds and what is funded by the local tax base — is under discussion now as to how that should be set. Bill 12 does not in fact deal with actual funding levels as opposed to providing the mechanism of municipal delivery of services. I just wanted to point out that issue is still being debated and being investigated and I would encourage you to make sure that your association is heard in those deliberations as to how that should be.

On the overall picture of fairness and equitable taxation, the presenter previous to you was a representative from one of the organized municipalities in northern Ontario who used his own camp as an example and suggested that he felt it wasn't based on fairness that his camp should pay \$21 in taxes when if it was 20 minutes removed in the other direction and into the organized he would have to pay considerably more. Your presentation deals considerably with that in suggesting that they're seasonal users of these. In fact, a lot of these municipal services are not required or desired by the people living in seasonal residences. When we look across the board at all of Ontario, and again not one solution fitting all, we have a lot of areas in the province where seasonal structures are being occupied in organized municipalities where they are obligated to pay full taxation the same as everyone else, whether they live there all year or whether they don't.

Do you not see some fairness element there, that all people should pay taxes based on their assessment as opposed to how and when they occupy their establishment?

Mr Pilot: Personally, I don't support the concept of paying based on assessments. It's not necessarily a fair way. I believe you should pay for the services you receive. If you can recall, in part of the presentation we dealt with that. We made a suggestion that if you receive the services, you should pay for them. That's fair and reasonable. If you don't receive them, you shouldn't pay for them, or if you receive the same services — in our particular case, the services we receive are based out of the city of Thunder Bay, primarily the core services. Why should we pay here in the city of Thunder Bay for them and then pay back at our cottages?

If you don't have a residence here and if you live year-round in our territory, then fine, you should pay for that. That's fair and reasonable, but you should not pay for it twice.

Mr Miclash: Bill, I think you've made some points very clear here. You've indicated some areas where we're certainly going to have to take a look at amendments and you given us some excellent information. I like your analogy of the primary resident compared to the American visitor where the American visitor can get the tax rebate whereas you say the primary resident cannot.

As well, in terms of the fuel taxes, I must say that in my 11 years in elected life I don't think I've heard anything more on any issue than the fuel taxes. I'm surprised you didn't mention the reintroduction of the \$37 registration fee for northern drivers, which actually recognized that at one point, the \$37 that we didn't have to pay.

But going back to your comments on the crown land, as you indicated, 98% of the area in the district that you're talking about is crown land. What kind of recommendations can you make to, say, make it more fair for your residents versus the government in terms of making up for all of those areas in that crown land?

Mr Pilot: That's a tough one to answer in such a short period of time. I think I've only got a few minutes here, at the very most, left. I'd be prepared to sit down and think about and discuss it with the ratepayers, which is the only fair way of doing it, and let them come up with a proposal. They're quite interested, I'm sure, and we'd be happy to get back to the committee. I don't have one right now, though.

The Vice-Chair: Thank you very much for being here with us this morning. We appreciate your comments.

ASSOCIATION OF LOCAL PUBLIC HEALTH AGENCIES

The Vice-Chair: I'd like to move on now to the Association of Local Public Health Agencies, Ingrid Parkes, president. Good morning and welcome to the standing committee on general government.

Ms Ingrid Parkes: My apologies that Marlene Besignano, the treasurer, was not able to attend.

Good morning, Madam Chair and committee members. We appreciate the opportunity to address the committee. My name is Ingrid Parkes and I am the president of ALPHA, and I might add newly elected, so I'm really new at this. ALPHA is a provincial association which represents boards of health and public health units of Ontario.

In January 1997, the provincial government made a decision that responsibility for public health services would be transferred to municipalities. We are now facing yet more changes to public health through Bill 12, the Northern Services Improvement Act.

Public health programs and services have been demonstrated to promote general health status and to prevent disease and injuries. Public health programs and services are a critical component of our health care

system, functioning to prevent rather than treat problems. In this regard, they reduce overall health care costs. Our public health care system must be able to maintain public health standards across the province in order that it remain an integral part of Ontario's health care system.

It appears that area service boards are expected to evolve out of DSSABs. Municipalities are allowed, in their plans for DSSABs, to identify those other services they would like to manage.

The services improvement act has modified the Health Protection and Promotion Act such that "additional entities such as county councils may become boards of health" and "the administration and business affairs of the board need not be under the direction of the medical officer." Bill 12 will go one step further, allowing a three-year window during which plans for ASBs may be submitted and further requiring that "core services which must be provided or ensured by an ASB are: public health, homes for the aged, ambulance as well as Ontario Works, child care and social housing." Clearly, the planning services for municipal service consolidation in northern Ontario intend for public health services to become part of municipal service restructuring.

1050

Municipal service restructuring in northern Ontario may bring many gains to communities, but is fraught with many geopolitical and boundary questions. Multiple municipal structures are involved and affected by this reorganization. The current planning only includes public health as a passive participant, vulnerable to the driving forces that have come to the front as a result of municipal-provincial disentanglement. Somehow, somewhere, attention must be paid to preserving, and indeed improving, public health services as we go through changes.

Current DSSAB legislation will result in 50 agencies. Area services boards could increase the number of boards of health from the current number of eight to about 15 or 20 in the north. Geographical boundaries of health units of the day will be altered under this bill to have multiple ASBs and areas where no municipal or provincially recognized structure exists. This is also especially true in the north for our first nations population as well. For the health and wellness of our population we require tight provincial coordination, monitoring and affiliation since diseases do not respect boundaries.

The uniqueness of the north requires joint responsibility between municipal, first nations, provincial and federal governments, and such cooperation should be funded accordingly.

In a time of shrinking resources and staffing, reform of local public health services must ensure that opportunities for linkages and sharing of expertise and "best practices" between public health units are enhanced and simplified.

Diseases and issues of public health importance do not respect boundaries, as I've said before. Responses to outbreaks such as meningococcal meningitis and strategies to protect people against second-hand smoke exposure in public places have increasingly been noted to be most

successful if there is utilization of best practices and continuity in approaches.

While the mandatory health programs and services guidelines provides a framework for required activities, public health issues are often now of such complexity that public health units have need now, more than ever, to be not only internally strong but also strongly linked to other public health agencies.

Restructuring policy, which allows fragmentation of the system into many small health units, will increase the difficulties in maintenance of these linkages and development of best practices in public health. The largest of Ontario's public health units can mobilize more resources internally than smaller health units that are typical of the north. There are economies of scale in terms of valuable linkages between health units that may be at risk if health units are to be fragmented in order to make them fit DSSAB borders.

Ontarians expect continuity and comprehensiveness of public health programming across the province. Barriers to this must not be created. Reform of public health governance must ensure that there is a balance between the driving forces of efficiency and quality.

The current system of independent boards of health has provided for decades a process whereby communities have been able to ensure that their public health services are of the highest quality. The combination of strong provincial funding with local governance produced a situation whereby boards of health provided governance with a strong emphasis on quality and comprehensiveness. The new plans for increasing integration of public health services into municipal services management and governance in the face of majority municipal funding will tilt the balance of values.

Moreover, the shift towards one area governing multiple services will mean that there is distinct loss of community input to public health services. Public health may become just one of the many items to be dealt with by area service boards. Relegated to a lesser status, isolated from the rest of the health system, comprehensive and important public health issues may take a back seat to local economic and political factors and values.

Consultation on public health integration into consolidated municipal services as a whole must extend beyond municipal interest groups to include public health groups and communities at large.

While much attention has been given to dissemination and consultation with municipalities on DSSABs and ASBs, no consultation has yet been done with public health groups, experts or communities. Will this government listen only to the voices of those who would say, "He who pays gets to say"? As with public service governance, the opinions and voices of those who are most concerned with economy must be balanced by the voices and opinions of those who wish to see communities' health both protected and indeed promoted.

In conclusion, ALPHA feels that the provincial government should consider the implications of passage of this bill and the transfer of public health services to

DSSABs and/or ASBs. The public health status of the people of northern Ontario could be put in jeopardy if the DSSABs/ASBs are unable to fulfil their new, extensive responsibilities, particularly where in northern Ontario many programs and services are offered only by public health units. I would really like to stress that, that we don't have the luxury of the larger centres. Transfer of these responsibilities to DSSABs/ASBs would leave many health needs unmet and cause even greater cost burdens for the health care system when the lack of prevention becomes illness.

The Vice-Chair: Thank you very much. We'll begin with Mr Hardeman. You have about three minutes.

Mr Hardeman: Thank you for the presentation this morning. First of all I wanted to deal with an issue that was brought forward this morning by a medical officer of health, the issue of looking at the permissiveness of the legislation before us. There seems to be an implication that this may in fact increase the number of boards of health, as opposed to decreasing the amount of government and bureaucracy in the system to try and find efficiencies. The suggestion is that presently the boards of health are aligned with the DSAAB, which are larger geographic areas, and if municipalities or local governments have the ability to bring it smaller, that would automatically reduce the size and increase the number of boards of health.

My question would be, why is it you make the assumption that municipalities, or the people making that decision, would decide that more would be better? The rest of your presentation deals with that you have concerns that the local government will in fact cut the level of public health to accommodate finding funding for roads. Yet, in the suggestion in creating more boards of health, you're suggesting that they would arbitrarily downsize the area that the boards of health cover and create more of them. I find it hard to understand the logic in that and I wonder if you could explain that to me.

Ms Parkes: I guess I could use Northwestern board of health as an example. I am the chair of that board of health. There is one area that the board of health covers two geographical areas: the Rainy River and the Kenora districts. If in fact DSAABs come into place, and area service boards, and they're each going to go for a board of health, the one board of health then becomes two boards of health. That's one area where we're saying it would multiply and then from there become weaker, because your linkages are —

Mr Hardeman: But don't you see the possibility where a municipality would create an area service board, requiring one of the core services it would have to provide was public health, that they would find the most efficient way of doing that would be to strike a deal with the present participants in the larger board to say, "We would like to share that service with you," rather than setting up a complete new board of health. In the proposal for an area service board, there would seem to be nothing that I read in the legislation that would drive them to try to create a new board of health when the ability is there to

share those services with the present participants. I don't understand why we would think that they would, in trying to find efficiencies, would try and downsize and create more bureaucracy to run the public health function in that area.

Ms Parkes: I would hope that you're right. I'm only speaking about Northwestern only because I know that better, but there have been no conversations whatsoever, or invitations even, for board members to come and to speak to either of those two areas. I know that we asked, I would say probably at least a year ago, to be invited to discuss with them the possibilities of remaining rather than separating into two. So that's why I think that we should probably be fairly safe in assuming that they're going to go the double route rather than remaining where they are.

But I agree with you. I think you're right, that what is there is working already, so why would they divide it into two, which would cost more?

Mr Hardeman: There seems to be an implication in your presentation that the local people are not or would not be as concerned about the public health of their citizens as the boards of health, and I suppose in conjunction with that the province, which is responsible for the boards of health presently. They would have more concern with the health and safety of their local citizens. I find it hard to understand why one would take the analogy that local government would not feel as concerned about the public health of their citizens as someone from Queen's Park or someone from the boards of health.

Ms Parkes: If you're going to be going into a DSSAB or an ASB, you've got one group of people that is going to be responsible for many more areas and therefore not perhaps having the expertise, as we've alluded to before. I'm not saying that they don't think it's important, but we all know, as politicians, the group that screams the loudest usually get what it asks for.

Mr Hardeman: I would just point out —

The Vice-Chair: Thank you very much. I'm sorry, we must move on.

Mr Mclash: Thank you very much for travelling from Kenora to be with us here this morning. I think we'll be hearing a little bit more from Dr Sarsfield when we're in Kenora later on this afternoon in terms of lack of consultation. It's certainly something that you've indicated and you've mentioned a good number of times, as we've heard from him as well. We seem to be left out of the loop when it comes to actually formulating legislation in Queen's Park, and the lack of consultation with the health units and the boards have certainly amplified that.

We received a written brief from the Sudbury Health Unit. They indicated that they have difficulty understanding why public health is considered as a core service in this act. I'm just wondering if you have that same difficulty. Maybe you could elaborate on that.

Ms Parkes: Again, I apologize for being the only one here. I'm new to this, but yes, I think our sense is that public health should be a provincial responsibility, period, and it should be equal. It should be no more difficult. I

think if we really looked deeply, we would see that the money we spend on public health saves the health care system in the long run. It's like if you put the oil in the motor of the car, it's going to save buying a new motor, but if you don't, you're replacing much more. I don't know if that answers it.

Mr Miclash: Great, thank you. Good analogy.

Mr Gravelle: I think that very much makes the point, Ms Parkes. The fact is, and it just can't be emphasized enough, that public health should be a provincial responsibility. You've made the point strongly, and Dr Williams has. I think everybody in the public health field recognizes that it's so important. It doesn't respect municipal boundaries. I take it if you had one thing you could ask this government to do, it would be to once again have public health funded as a provincial responsibility.

Ms Parkes: Yes, I would.

Mr Len Wood: Thank you very much for making the presentation. On the second last page you're saying that concerning Bill 12 there has been no public consultation with your health group or experts or the communities involved in that area. You've also, in answer to the Liberal member, said that you believe it should be a provincial responsibility as far as public health is concerned.

I'm looking at this bill and also the presenters who are coming forward. Nobody is in support of Bill 12 as far as the unorganized areas are concerned. I get the impression that it's the almighty dollar that counts: Run it as a business, cut as much money out of all of these areas as you can, whether it be public health, whether it be provincial roads. Let them deteriorate to the point where, in the case of public health, people are going to be sick. Who takes responsibility then? It's going to be a lot more expensive afterwards treating the illness than it is preventing it before.

I agree with you that a lot of the areas — public health is one of them but a lot of the other services that are being dumped. The cost that is being dumped on to the unorganized areas should be a provincial responsibility because thousands and thousands of people — I'll use roads, for example — are travelling through, and if the public health is at risk because of trying to save dollars, who's the winner in the long run? Is it the Conservatives in Toronto at the expense of northern Ontario? If you want to comment on that —

Ms Parkes: I agree with you. I guess I hate to use roads as an example because sometimes those potholes are really obvious when you hit it every time. You know it's there and you always forget that it's there and so you hit it.

The unfortunate and perhaps the sad part about public health is that we don't really realize it's there. We send our children to school and we know they get the immunizations but we don't think that they've got it. If little Johnny beside us, for whatever reason, didn't get it and he gets really sick, then we realize that somebody was there and they did that for us.

I suppose I should go further than just a provincial responsibility. I think the federal government also has a

responsibility, especially in the north with our first nations population, and we should begin that by getting together to talk about those issues. We all live in this province and I think we should all have some sort of responsibility to that. I have been trying to say that and I'm just a little person, but I believe that. I guess I don't think that it's only — and I've said in here that I think it should be a federal responsibility as well. Those people come and they utilize our communities, and I'm glad that they do that, but I think —

Mr Len Wood: I agree with you that the federal government, now that they've got a surplus, billions of dollars surplus, should put some money back into health care.

Ms Parkes: We should look to them first.

The Vice-Chair: Thank you very much. I'm sorry, we've run out of time. We appreciate your coming, Ms Parkes.

Ms Parkes: Thank you.

LOCAL SERVICES BOARD OF LAPPE AND AREA

The Vice-Chair: I'd like to call on the Lappe and area services board, Rene Larson. Good morning and welcome to the standing committee.

Mr Rene Larson: Thank you, Madam Chair. I thank you for the opportunity to present to the committee today. The purposes of my presentation are to bring you the perspective from the bottom up and to make some suggestions to improve the bill. I am one of those creatures called an "inhabitant" under this bill and I am chair of the local services board of Lappe and area, whose boundaries are shown on the map that I have attached.

To give you some perspective on where we are, this is a map of the city of Thunder Bay. Shuniah is on my left and Oliver, Paipoonge and Conmee are on the right, but the majority of the population sits in the city of Thunder Bay, which is just south of the area that is unorganized. It's an anomaly. I think it's one of the largest concentrations of population in Ontario that's adjacent to an organized municipality.

The Lappe local services board is part of two unorganized townships, Gorham and Ware. It was created in 1982 and provides fire protection and recreation services. In the approximate midpoint of the area that we serve is a rural public school with grades 1 to 8 and a student population of about 388 in 1997. As part of a Canada-Ontario infrastructure program an addition was built to the school where a small office is kept and meetings are held. The Lappe local services board has its own firehall adjacent to the school and services households outside its boundaries through arrangements with the Ontario fire marshal's office.

There is a Gorham local roads board. As a matter of fact, there are four local roads boards immediately surrounding our services board area. I'll get to that in a second.

No municipal reorganization has occurred in our area. There are four unorganized townships, with both permanent and seasonal households. Gorham has approximately 904 households, Jacques 348, Ware 700, Fowler 500. That totals almost 2,500 households. Population is estimated to be between 3,600 and 7,400.

1110

Some people have speculated that no organized municipality wishes to take over a territory like this that might actually outpopulate it. No organized municipality is currently pressed by financial reasons to look at taking over this area, so there's absolutely no municipal organization or reorganization going on.

The closest municipality, as I have mentioned, is the city of Thunder Bay, which is south and has a population of about 115,000 and 46,000 households. If they come and take over our area, it's David and Goliath there, and Goliath will be taking over.

The other nearby municipalities are the township of Shuniah in the east, which has 2,200 people and 2,000 households, and then the new township of Oliver Paipoonge to the west, a population of 5,900 and 1,900 households, and another smaller township called Conmee — I believe Reeve Nelson was here earlier — 700 population, 262 households. You can see the unorganized territory is sort of an island unto itself at the moment.

The Lappe local services board welcomes the opportunities to restructure that are contained in Bill 12. With an expansion of boundaries, the services board can provide fire protection, recreation and road services in a much larger area than at present. That should lead to greater efficiencies. As I mentioned to you, there are four local roads boards immediately around our services area, and if we expand the boundaries of the services area and put those roads boards together, we will create some efficiencies.

I recommend to the committee that section 13 of the present act be amended to allow for payment of remuneration to members of local services boards, and if there is any fear of the remuneration being set too high, then I would suggest that the minister be allowed to set maximum compensation levels by regulation or order. Obviously the responsibilities and the time to carry them out will be much greater for expanded areas and services, and quite frankly, the depth of volunteerism is not out there at present.

Our board comprises five members, and we have had a vacancy for the last eight months and have advertised consistently on a monthly basis to try to elect someone. If some poor inhabitant shows up at our board, he or she is going to get elected, but we can't find them. I don't know if compensation is an answer to that or not, but obviously, if you're getting greater responsibility, there might be some nominal compensation that should be offered.

Local services boards need proper election rules. That's one thing we're lacking. That's why the population is estimated. The only thing we know for sure is how many households are out there.

In my opinion, the terms of office under section 19 should be longer than one year, perhaps matching the three-year terms of organized municipalities. Again, the minister could be given the discretion of ordering longer terms of office than the current one year. There needs to be some planning in these areas, and the terms of office should give the members who are elected an opportunity to do that planning.

I should mention I listened to the gentleman I think two presentations ago who said there should be a difference between seasonal and permanent, and I cannot agree with that person. We provide fire protection year-round; there are garbage services in the area year-round; there are police services required year-round. Whether people are in their cottages or not, they expect those services, and I believe they should be paid for by the people according to their assessments. I would mention that to you as a point, that assessment is the fairest way to have people pay for services, and the services they require do not solely depend on whether they are there year-round or not. Our fire protection team will service a seasonal cottage as well as a permanent residence and without discrimination.

With respect to the area services boards under the proposed part II of the act, it is my respectful submission that the additional services under section 41(2) which may be provided by an area services board should include all the powers of a local services board in the schedule to the act, namely, water supply, fire protection, garbage collection, sewage, street or area lighting and recreation.

The reason for that is that we need flexibility in this legislation to service the different areas of the province, and there is no one solution that works, so if there are powers that can be exercised by an area services board instead of a local services board and that would create savings and efficiencies, then perhaps the area services board should have that ability. Right now the act gives roads — roads obviously could be dealt with by a local roads board, a local services board and an area services board under the proposed legislation, so why just roads? Why not expand the basket of services that are potentially capable of being looked after by the area services boards? I point out it would provide for maximum flexibility in allocating the powers between a local services board and an area services board and even a local roads board and would provide for the provision of services where there may be a collapse of local services boards for a lack of volunteers, as an example. It may be more efficient for the area services board to contract for services across a larger area. In any event, the minister should have maximum flexibility in setting up both local services boards and area services boards.

The taxation model 2 set up in section 49 and the following sections of the proposed act is an improvement over the current method of funding of local services boards under the provincial land tax. Specifically, section 56 will provide improved cash flow to local services boards where the area services board levies and makes payments on a quarterly basis. Right now a local services board really doesn't know when the money is going to

come from the provincial treasury for the taxes that have been assessed on its behalf, and there are some times when we need to borrow where an improved cash flow would certainly eliminate any of those requirements.

The one concern I have is the representation of unorganized territories on the area services board. If, for instance, in Thunder Bay district there is one person elected to represent the unorganized territory in the whole district, that person will have a very difficult time consulting with the electorate. It's a vast territory. For that reason, I am actively examining the possibility of creating a new municipality in the area that I currently serve, if the Minister of Municipal Affairs will entertain this idea, in order to have better representation, so perhaps in a backhanded way the area services board representation might force people to recognize that it's better to be an organized municipality if there's a sufficient density of population, as in my services area, to proceed in that direction. Thank you.

The Vice-Chair: We have just about three minutes per caucus, beginning with the Liberal caucus.

Mr Gravelle: Good morning, Mr Larson. You were talking in terms of the four townships that make up the Local Services Board of Lappe and Area. I just want to be clear: Are you thinking in terms of those particular townships potentially comprising an area services board of their own? I don't think that's how the act is envisioned, but I wasn't sure.

Mr Larson: No. I see them having to participate in a district of Thunder Bay board, where they're going to be a very small part of a totally unorganized territory, so I think there's incentive to organize themselves.

Mr Gravelle: As you say, you're pursuing or looking at the possibility of becoming an organized municipality of your own. Can you tell us what kind of reaction you're getting to that? It seems to me that the direction of this government is to have fewer organized municipalities rather than the other way around. I'm just curious as to what response you're getting or where you're at.

Mr Larson: My current impression is that the minister might entertain the possibility. Earlier, when the whole new scenario was coming on, there was absolutely no way that we could be considered, but I think now that we haven't been absorbed by any organized municipality, we could make a reasonable argument that we might be able to do it on our own. One more municipality isn't going to make that much difference when the ministers reduce by over 200 the number in Ontario.

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Mr Gravelle: If you were successful in moving in that direction, does it not concern you a little bit that — let's say you were able to form a municipality of your own — you would then have this other level of government, which is in essence what the area services boards end up being. In other words, you develop some control by having become a municipality and on the other hand give a little bit up in terms of the area services board. Does that concern you at all?

Mr Larson: No, I see that the main services that the area services board is to provide are really area-wide services where it would be inefficient for a small municipality to try to handle it.

Mr Gravelle: Don't you think ultimately, though, that one of the directions we're going into in terms of the area services board is truly to reduce the number of municipalities? If you look at the end story of an area services board in terms of the responsibilities it takes on, I think one can make the argument that it makes municipalities in and of themselves less relevant because they'll be taking on potentially so many responsibilities, and it's really an effort by the government to reduce the number of municipalities in the province.

Mr Larson: To me, it seems that the government is trying to create the most efficient form of delivering services. I think it's a good method of doing it.

The Vice-Chair: Thank you very much, Mr Gravelle. We'll move on to Mr Pouliot.

Mr Pouliot: It's a pleasure, Mr Larson. I'm quite impressed with the detailed map and I was wondering if a municipality would ask your office to provide them with something identical, what the costs would be, because a lot of pain and effort went into the preparing of the map.

Mr Larson: I borrowed this from the Ministry of Municipal Affairs.

Mr Pouliot: Yes, I'm sure. Are they one of your clients?

Mr Larson: your presentation is perhaps a precursor to what's about to happen, and you conclude by saying that perhaps the time has come to look at putting them all together and forming one new municipality. Suppose, not in a best-case scenario, in fact quite the opposite, that because of the downloading, because of new responsibilities that taxpayers must pay for, the time comes when de facto you can no longer pay for them or you can barely pay for them and you say, "Well, why don't we block together." That's what I mean in saying "precursor." Maybe inevitably — I don't want to impute motive to the government, but if you take on a lot of responsibilities and you have so few taxpayers, why not block together and have more people under the umbrella of one municipality? You're forced to do that and that's what I'm afraid will happen.

I say I'm afraid that will happen because I'm not convinced that people see a need. We get 4,000 calls per year in our constituency office — some people get more; they have more people to serve — and I'm not aware, and it's my job to be aware, of people saying, "We wish to come on with Bill 12," or "We wish to join the municipality next to us." In fact while listening, if you mention it, people will say: "No, no, I never thought of that. That's way down on the priority list. But now that you mention it, why would we? We're comfortable where we are. We don't wish to change." Then there's no ulterior motive; it's right in front of us. The government is downloading and the unorganized territories have been spared so far. So why shouldn't they pay for their piece of the road? Why shouldn't they pay instead of going to

knock on the provincial government's door — it's their money anyway — and saying, "I want some of our money back to pay for it"? The government says: "No, no, we're going to sock it to the municipalities. Let them stand on their own two feet. Oh, what about unorganized territories? We forgot about them." This is a revolution, so when you're in a hurry you make mistakes, so they fell through the cracks. Bill 12 says, "You're not going to get away with it." It's as simple as that. If you cannot afford to do it, go and ask your neighbour, move in with your neighbour, form one municipality and then you'll best be able to afford it because you won't have two graders; you'll have one grader. It'll never get to your place, mind you. I think this is a cynical ploy. It's designed only for one purpose: to pick the pockets of the rural people.

The Vice-Chair: Thank you very much. I'm sorry, we must move on to a government member.

Mr Hardeman: First of all, just a tongue-in-cheek comment. On page 2, I would say the township you referred to is either a misprint or it's a very lonely place, because you have an almost identical number of households and people. It seems everyone almost lives alone and that would be a rather lonely township.

I want to refer you to the comment you made that you're looking at the possibility of creating a municipality in order to deal with the representation on what in the future, if it's the wish of the surrounding area, could become an area services board. I notice from your figures that the unorganized area you're referring to now has a large population considerably disproportionate to the rest of the district. If you look at the governance model for an area services board, the fact that it's based on electing those people in the unorganized territory, is it not reasonable to assume that the representative on the area services board, even if there was only one, invariably would be elected in that area of the district because that's where the population is?

Having said that, do you see a need other than just for representation on an area services board to find a way to incorporate that area so you could provide services in a different way and taxation in a different way for the people you're presently responsible for? Is there more need for this incorporation than just to deal with representation on area services boards?

Mr Larson: The powers that are available to a municipality in terms of bylaws and the subjects that are covered under the Municipal Act I think are important if you're going to be governing. To a certain extent, I think you get to a point where the population is large enough that the act we have really doesn't cover the situations that we need to and they have to move on to a municipality rather than be limited to the powers and controls of the minister under this act.

The Vice-Chair: Thank you very much for bringing your ideas here this morning.

NORTHWESTERN ONTARIO DEVELOPMENT NETWORK

The Vice-Chair: I'd like to call on the Northwestern Ontario Development Network, Harold Wilson. Good morning. Please begin.

Mr Harold Wilson: Good morning to the Vice-Chair, ladies and gentlemen. My name is Harold Wilson. I am the executive director of the Northwestern Ontario Development Network. We are an association of community development practitioners and partners in northwestern Ontario. Our core membership consists of the economic development offices and community futures corporations serving the region, which extends from Manitouwadge to Kenora, Atikokan to Pickle Lake. Approximately half of the region's population of 250,000 is in Thunder Bay.

The focus of our members is community-based economic development, and there are several aspects of Bill 12 which could impact our communities' ability to address their development needs. I want to thank you for coming to the northwest and providing an opportunity for us to give comment.

Bill 12 mainly speaks to models of local governance. The purposes spelled out in section 36 are laudable. In our region, there will be some support for the proposed northern services boards, some opposition, some definite opportunities and some dismissal of opportunities. The legislation stresses flexibility and voluntary compliance. The minister has stated that area service boards are an optional tool. While a double-edged sword, this principle must be adhered to.

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I say "double-edged" because our communities should not have major changes in governance imposed on them. At the same time, there are significant opportunities for co-operation that should, but will not be, pursued. This may be due to political, as opposed to financial, considerations. What if a central community in an area does not want to be part of the northern services board? This appears to be addressed in subclause 37(1)(b)(i). However, what does "the prescribed degree of support of the municipalities and local services boards and of the residents of the unorganized territory in the board area" mean? No definition has been provided.

Moreover, there is a concern with the voluntary period being three years. Will there be mandatory area services board boundaries after three years? The three-year window gives the impression that it is a short-term solution. We need a long-term approach.

We understand that the primary purpose is the consolidation of the delivery of core social and community health services, specifically Ontario Works, child care and social housing. In the near future local ambulance, public health and municipal homes for the aged will be phased in. This legislation might provide the tools for helping in the delivery of efficient local services, and we agree that economies of scale should be realized. Changes to delivery have long been requested and make sense.

But this legislation goes further. Delivery is one thing; paying for it is another. The proposed mechanism to pay for this consolidation will be direct taxing authority within the area services board to recover costs for the delivery of services.

This system, as spelled out in clause 38(1)(h), is basically an extension of the current municipal tax structure. However, the existing property-based municipal tax structure does not provide an adequate tax base for northern Ontario to meet their costs. This is because the north is resource-based rather than a property-, manufacturing- or population-based economy. This has resulted in the "dependency" on transfer payments and support. The base resource sector remains the engine of regional wealth and job creation. Much of our future rests with the development of our natural resources rent with a value-added component.

Northern Ontario is not self-sufficient or self-sustainable at the municipal level. The sparse population and distances between municipalities are a bigger issue in the northwest than in the northeast. As the share to companies and government has increased, the wealth from our resources, which fuels our communities, continues to be reduced within the region with less available for the services whose costs are increasing.

Current measures to support our economy are short-term and subject to cost-cutting measures. Thus, utilizing this system exclusively for the provision of services will, over time, not result in adequate delivery. Our current tax base is shrinking. Service or user fees are also inadequate as tools to fund municipalities and their services. If the only means in the future to fund these local services is by the local methods already in place, failure is inevitable. Increasing the tax base or reallocating the wealth generated in the area has yet to be addressed.

The Northwestern Ontario Development Network, in association with the Northwestern Ontario Municipal Association and the Federation of Northern Ontario Municipalities, produced last fall a Discussion Paper on the Rationale for a Resource Revenue Retention Mechanism for Northern Ontario. While preliminary, it is a concept that needs to be thoroughly discussed with provincial government. It is one method to address the shortcomings of the existing property board municipal tax structure in northern Ontario. We submitted it to the Ministry of Northern Development and Mines and the Ministry of Finance for information purposes and are awaiting the opportunity to discuss this proposal.

Another opportunity to broaden the tax base for our communities is in provincial approval of cottage lot development. NOMA completed its crown land acquisition study this April. Several municipalities are now in a position to proceed on the acquisition, having prepared the required development plans. This approach has long been advocated, but for years municipalities have been discouraged by the Ministry of Natural Resources. Support from the provincial government, from the minister to the district manager, for communities that are ready is needed.

Finally, additional core services are listed in subsection 41(2). The list of activities the northern services board could be responsible for includes services promoting economic development. The government has increasingly placed the responsibility for economic development at the municipal level. At the same time, support to ensure that this was undertaken in a formal, professional manner by our individual communities was withdrawn by the provincial government with the phasing out of the MEDA, the municipal economic development assistance program.

If a municipality did not have the tax base to support an economic development office, there was financial assistance. In the northwest, only Thunder Bay and Kenora have populations of over 10,000. An economic development office is all too often viewed as an expenditure. The fact that projects require nurturing, partnership-building, community involvement and advocacy to all three levels of government means that it is a long-term activity.

Return on investment often takes years, and while it is easy to show the benefits after a project is completed and the tax assessment has been enhanced, or in some cases stabilized, this is not automatic. It never has been. By empowering the area services board to take on economic development without providing guidance and support, it could become diluted and not support local ideas and initiatives.

A concern is raised if economic development becomes the responsibility of the northern Ontario services board such that the largest centres in the board's territory would receive a disproportionately high amount of resources, leaving the smaller centres without enough resources, effectively starving them.

These projects and opportunities could become the enhanced tax base we need. Without specific commitment from the province to support the promotion and effort required for effective community-based economic development, a tool to enhance the tax base will not be picked up. A commitment to consider alternatives to the municipal tax structure that currently exists must also be reviewed.

The Vice-Chair: We have four minutes per caucus.

Mr Pouliot: Thank you very much for your presentation and your recommendations. I sense by your tone, Mr Wilson, with respect, that you believe there is still a chance.

Thunder Bay this morning, then Kenora, and then Sault Ste Marie and Timmins tomorrow, two days and only four locations, and then they will do clause-by-clause. Then they will vote in the House, and you know how that goes, and then it will become law. They wanted this in place this past June, so they'll get it some time in October when they call third reading. It's very, very late. I hope they will, if not put it on the back burner, listen carefully to your presentation and others because people are saying that under article 37, clause, subclause, and then they go to 38 — you can do so.

It's not being overly critical, but a lot of it needs to be redrafted. We're used to some amendments to a bill but in this case it's rather simple. It's not very complex in terms

of legislation, yet when you listen to the presenters, they come up with some things that are so straightforward, like, "If you are to do this, wouldn't it make more sense to have a three-year election as opposed to an election each and every year?" It seems that you're always running for office. It's commonsensical. Some of the unorganized territories have more population than some small towns that are organized, yet they have a three-year mandate because they come under the Municipal Act.

Do you have any difficulties in terms of daily lives? How will lives change in terms of the unorganized territories? How do you see them changing?

Mr Wilson: I think the main change will probably be at tax time. I think, though, that one of the things we have advocated — and in northeastern Ontario there were lots of opportunities for more efficient delivery of services. In one community where I was living I had three other municipal offices within five kilometres. Within that kind of radius we had four municipal offices each delivering Ontario Works and the rest of the social programs. There were efficiencies to be gained there. At the same time, there are unorganized territories that benefited. So I think having an opportunity to work on those deliveries is essential.

However, at the same time I think the core of the presentation is that if they're just going to use the existing municipal tax structure, it's inadequate now. If you extend that over even a sparser population, it won't do the job.

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Mr Hardeman: Thank you, Mr Wilson, for your presentation. First of all, in the general tone of the conversation, I want to assure you that the government recognizes that the tax base in northern Ontario is not at the same level as the tax base in southern Ontario. The community reinvestment fund was set up to make sure that the needs of northern Ontario were met as we continue on with the realignment of services between the municipal and provincial governments.

There are a couple of points in your presentation I wanted to comment on. One was on your question as it relates to the prescribed degree of support and that it doesn't mention what that would be. Though it's not set in legislation, it is to be set by regulation. In other areas, as it relates to restructuring municipal government in the province, it is based on the double or the triple majority.

In southern Ontario, where you have two-tier government, it requires the support of the majority of municipalities representing the majority of the population and the support of the upper tier. Of course, in northern Ontario where we have no two-tier, it is the vote of the majority of the municipalities, representing the majority of the population. I think it's understood that the regulation would likely be consistent with other regulations, that there would be that type of support required for setting up a board.

The other area is your comment, "The three-year window gives the impression that it is a short-term solution." I think the intent in the legislation is not to be a short-term solution but to provide the ability to set up the

best possible cost-effective and efficient way of delivering these services, that all participants should get involved with that and get it done, at some point in time giving the assurance to all those who have participated that the process has been completed and they can get on now with delivering those services without having someone else coming up with another proposal that would put an area services board over top of the one that was already created, that there's some finality to the process. I think the intent in the legislation is that a three-year time frame or a three-year window would allow all the participants to look at the best possible options, and if they decided to partake, they would do that within that three-year period.

Last but not least, you mentioned the issue of economic development and some concern that it would be with the area services board. I guess from economic development that I've been involved with over the years, trying to put it over a larger area, to incorporate more communities in the area that you're trying to encourage industry to come to, is usually a benefit rather than a detriment. It would seem to me, if economic development is funded by local municipalities, that the broader the tax base you can put that on the more effective that economic development would likely be. I'd just like your comments on that.

Mr Wilson: If I can respond to those, the first one, the issue of the majority of the population supporting it, we're taking a look in some of our major centres. The majority of the population will be in the centre. The surrounding townships, the unorganized townships, will not be the majority. So that was one of the considerations, if that's also part of it.

On the second point, two parts to the answer, I guess. Every time in northern Ontario we hear a time line, it perks our ears up a little bit. One of the failings of the MEDA program, which I described before, municipal economic development assistance, was it was five years. In five years, most people are just getting their feet wet: Find out exactly what's going on for the first two, do the job in the third, and look for another job in the fourth and fifth because it might come crashing down. Programs and initiatives that have that kind of time line just perk our ears up.

You mentioned the community reinvestment fund. Again, that's not in perpetuity either. That's only probably for a couple of years, I understand. If it's going to be longer, that's one of the reasons we mentioned the resource revenue retention mechanism, because that would be long term. That would be in perpetuity so that the municipalities don't have to try to second-guess, when they're planning two or three years down the road, whether that funding will be in place.

The last part was about the area services board. I agree. If economic development was delivered by that, then great, and they could try to promote it. But that is a second level that these area services boards will consider, and again it's subject to funding decisions.

I've said this to a number of people. When a municipality or maybe an area services board is faced with some reductions and they take a look at a library, a recreation

office and the economic development office and they're taking a look at where they're going to be able to cut, I think an area services board will do the same thing as a municipality and that one of the linchpins that can help to enhance the tax base might be the first one they go after.

Mr Miclash: Thank you very much, Harold. One of my questions was going to be around the community investment funds. As I think you point out, the two-year period is there out in front of us. I have to say that some of the more cynical out there suggest that might be the term of the government, to get them over the election. I'm not really too sure on that one.

You mentioned a little bit about cottage lot development in the region. It's one thing that I hear when I travel to the smaller communities throughout the northwest. They're very interested in such development. You indicated that the crown lands acquisition study done by NOMA has also suggested that this should be a goal for northwestern Ontario. I'm just wondering if you could expand on some of the economic benefits that this would provide for the region.

Mr Wilson: This has been considered for some years. I think it was 1988 when I first heard the phrase "crown land as a development tool." These issues have been around for several governments and still need to be addressed from a municipality's perspective, to be able to enhance that tax base.

When they have a plan of subdivision, when they have some real ability to enhance their tax base in the same way — some people say, "We don't want to be another Muskoka." That wouldn't be happening for a long time, especially if controls are in place. But to allow a municipality to take some of this land, to be able to develop cottage lots to increase their tax base, is one way a municipality can enhance itself and probably be able to pay for these services that they are going to be required to. When you take a look at how you increase your tax base, that's one that's there. It's doable. It has the support, we understand, of the Minister of Natural Resources.

I think the Northern Ontario Municipal Association has done an excellent job in putting together this study and how it would be done. Whether or not it comes to pass is a concern, especially in the next while. I would hope that all members have an opportunity as well to read up on this and to try to help northwestern Ontario municipalities, and northeastern, to be able to enhance their tax base. This is a method to do it. It always looks good on paper, some great plans are out there, and yet it just never seems to happen.

Mr Gravelle: If I may, Harold, I want to ask you to talk a little bit more about the resource revenue retention mechanism. It's been very clear and the government even acknowledges that the tax base is different here. The community reinvestment funds are there, but not for a permanent period of time. There has to be acknowledgement that it absolutely is permanent. But I think it's important, if you get a chance — we haven't got a lot of time — to tell us a little bit more about the resource revenue retention mechanism. I know we don't have all

the information we want, but I'd like you to have the opportunity to talk about it a bit.

Mr Wilson: It's taking a look at the wealth that's generated in this area through forestry, through mining and other resources. The amount that is actually captured in this area is slim at best. There are three main partners. You have government, you have the companies themselves, and then you have the local people, be it the municipalities, the workers. Because a lot of these territories pay a heck of a lot of tax and yet it doesn't come back to the municipalities, this has been an issue for decades.

One of the things the network looked at in conjunction with the municipal associations was something that's practised in northeastern Minnesota, the taconite tax, which is being able to take some of the tax dollars that come from the resources in northeastern Minnesota and allocate that back specifically to fund the communities and economic development in northeastern Minnesota. We've investigated that. It's not a perfect model either, but we think it bears an opportunity to discuss it to find out how we can enhance the long-term stability of the taxes and of the services for northern Ontario.

The Vice-Chair: Thank you very much. We've run out of time. We appreciate you bringing these ideas forward. Thank you for your presentation.

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SILVER ISLET CAMPERS' ASSOCIATION.

The Vice-Chair: I'd like to call upon the Silver Islet Campers' Association. Good morning, gentlemen, and welcome to the standing committee on general government. I'd like to have you each introduce yourselves for the purposes of Hansard.

Mr Ron Clarkson: My name is Ron Clarkson. I'll be the spokesman for the group. I'm a member of the Silver Islet Campers' Association.

Mr Richard Siegfried: Richard Siegfried, a member of the Silver Islet Campers' Association.

Mr Frank Morrison: Frank Morrison, a member of the Silver Islet Campers' Association and a summer resident going on 72 years. I reside in the building that my grandfather was born in in 1872.

Mr Clarkson: First of all, we'd like to thank you for giving us the opportunity to speak to you this morning. As we've said, we're members of the Silver Islet Campers' Association. This is a group of about 150 summer residences located at the base of Sibley Peninsula, better known as the Sleeping Giant, just across the bay from the city here.

We would like to take a moment to tell you a bit about our community. Silver Islet is one of the oldest communities in northwestern Ontario. It was established in the late 1860s after silver was discovered on a small island about a mile out into Lake Superior. The mine operated until 1883 and at the time was one of the richest, if not the richest, silver mines in the world.

By the turn of the century, residents from Fort William and Port Arthur began using some of the abandoned mining homes as summer residences, taking ferries and boats to reach the islet.

Today, little has changed since those days. Most of the camps have been passed down from generation to generation and have been carefully maintained for over a century. While a secondary highway now makes our community easily accessible year-round, our creature comforts are few. There is no electrical system, no municipal services, no telephones, and even the cellular phone system is very spotty.

We at Silver Islet are also neighbours of Sleeping Giant Provincial Park, which borders our community on three sides. We have always enjoyed a good relationship with Sleeping Giant, as we have been an important part in their success. Silver Islet is a significant drawing card for the park, featuring prominently in their advertising and onsite displays. Thus we justifiably can boast an importance to the tourism sector of northwestern Ontario.

Many cottage communities in northwestern Ontario, like Silver Islet, are located in unorganized areas with no municipal services. The few we receive from the government of Ontario include access to emergency medical care via the air ambulance out of Thunder Bay and road maintenance along the secondary highway. The Ontario Provincial Police make sporadic visits. Our fire protection consists of a pumper out of the town of Pass Lake, which is 35 kilometres away. Otherwise, as often happens here in the north, we provide for ourselves and take care of ourselves.

We have a vibrant campers' association and work together as a community to provide recreational activities and infrastructure that includes a tennis court and a community centre, all built by volunteers with no government assistance.

We, along with many other recreational communities, have been watching the provincial government's Who Does What exercise with great interest over the past year and a half. Currently, landowners at Silver Islet pay a yearly provincial land tax and education taxes to the Lakehead Board of Education. Education taxes have been paid since 1974 and amount to more than \$75,000 annually. It is important to note that no child in that time has accessed the school system through Silver Islet.

The government's proposal to allow for the creation of area services boards, or ASBs, will have a serious impact on all recreational cottage areas in the northwest. It is our understanding that the ASBs will collect property taxes to pay for many services, including child care, welfare, public health, social housing, ambulance and homes for the aged, as well as others that may be included. You will note that of all these mentioned services, only ambulance is available for the residents of our community. This is a similar situation throughout northwestern Ontario, where thousands of local residents, taxpayers in our many cities and towns, escape on weekends to the bush where service is neither available, expected, nor indeed even desired.

This is a very important point that we feel must be stressed to this committee. Campers in the north stand to be taxed twice for services they only receive once. While we do not expect and are not asking that all taxes be removed, we do not feel it would be a fair and revenue-neutral exercise to create ASBs with the ability to tax recreational properties at the same level as permanent properties in Thunder Bay, Marathon, or even small communities like Armstrong or Nakina. Our camps are simply that, camps: places where we can go for a short while to get away from it all.

We will of course pay taxes to both the ASBs and our municipalities in the communities where we live most of the year and where we receive the vast majority of the services that our society provides. Therefore we, along with other recreational areas throughout the region, would like to see provisions included in Bill 12 for a separate recreational property tax class that reflects the almost negligible level of service that we receive and will honestly continue to receive.

We respectfully ask that you consider this point carefully as you debate the clauses of Bill 12, and would like to conclude with this thought. Summer camps play an important role in the economy of our region. Every person who spends their holidays at their camp is keeping money that could be spent on vacations elsewhere here at home. We buy materials in local hardware stores; we shop at local markets and grocers; we contract local companies for services, renovations and construction projects. Communities such as Beardmore are actively looking to expand camps in their area as a way of strengthening their economy. We strongly believe that ASB taxation on our camps — double taxation for almost all — will act as a deterrent to this form of economic growth. In the end, it could end up costing our region more than the funds to be raised.

On behalf of the Silver Islet Campers' Association and campers throughout northwestern Ontario, we would like to thank you for the chance to speak to this committee today. We would also like to take this opportunity to invite you out to Silver Islet to see at first hand what our community means to us. In the meantime, we would be happy to do our best to answer any questions you may have.

The Vice-Chair: Thank you very much. We'll begin with the government caucus.

Mr Hardeman: Thank you for the presentation. I'm somewhat intrigued by the suggestion at the end of your presentation on the class for recreational properties. We've heard a number of presentations that expressed a concern about the recreational properties that utilize the services. They utilize what few services are available in the recreation area on a limited basis because the rest of the time they're living elsewhere in their permanent homes. I think all of those presentations suggested that they should not be taxed based on full value of the property as though it was a permanent home.

You suggest a special class. Is it your suggestion that it would be based on the length of time it's occupied,

recognizing that there is still a need to tax at a certain level for the service? Would you suggest that it would be a length of occupancy that would decide whether you were going to be in that class or not in the class?

Mr Clarkson: I think it might be difficult to go with length of occupancy because everybody is different. Some people who are retired spend six months of the year out there. In other words, people who have those cottages out there spent their working lives going out there on weekends and the odd couple of weeks of holidays, and then all of a sudden they retire and they get to spend six months.

But there are other people — the younger people who are coming up, the children of these people who are retired, and believe me, there are many of them out there — who have built cottages on their parents' property. They go out the same. They go on weekends now, and it will be another 20, 30 or 40 years before they'll get to spend their six months out there. So I don't know whether a time factor would be a good way to do it.

What we're really trying to say, of course, is that we basically have no services out there. We have the medical service, which is super. We appreciate that and we do use it the odd occasion. But it's available to the park out there as well. At our little local store that's open for two months in the summer we've had people from the park have an emergency situation or chest pains and they've come out there for them as well. So it's not just for the campers. This system is province-wide, of course, but it's a nice thing to have, and that's really about the only thing we have.

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I mentioned coming out to visit the place. The road has just been redone, but only to the park. The last five miles out to the cottages and whatnot, you almost need a tractor to get over it. We're benefiting as far as getting as far as the park is concerned, but the rest of the road, there has basically been no maintenance done on it and it's just terrible. So we're not getting much of that either.

All we're saying, I guess, is that we're getting so few services out there and we really don't need them or want them. We've always looked after ourselves out there for over 100 years. Some sort of taxation that would be fair — and we're willing to pay our fair share. We've been doing it for many years. And I'm sure that there are many other areas, like Shebandowan and other places in the area, that have absolutely the same situation that we have. This is a big cottage area up here and we're not like southern Ontario where everybody has hydro and —

Mr Hardeman: The legislation does allow for the area service boards to decide how they're going to pay for these services and they can set different rates for different properties.

Mr Clarkson: This is why we're making the presentation.

Mr Hardeman: You mentioned that Beardmore was in fact encouraging this type of development.

Mr Clarkson: They are.

Mr Hardeman: Would you suggest that municipalities would give favourable consideration to charging seasonal — if they were part of the area services board, that they would set a lower tax rate for the seasonal —

Mr Clarkson: I would hope they would. I am sure that if people knew they could have a summer residence and it wasn't going to be taxed to death — this area around Thunder Bay is a great part of the world for summer residences. I've been around here all my life, although I've travelled all over and I keep coming back. I have my cottage here. I'm one of the lucky ones. I've been able to retire. I worked for the federal government for 40 years so I was able to retire early and spend my six months out there. This area is just super for camping and if people can get a camp — you know, we're not all rich people. There are a lot of people out there who had these cottages handed down to them by their parents.

The Vice-Chair: I'm sorry, I must interrupt and move on to our next questioner.

Mr Miclash: Your area sounds unique here in northwestern Ontario. I think you've expressed it well to the committee as to how separate taxation will certainly have to be looked at in order that we can retain a recreational — as you call it, a tax class in its own, and the fact that we are keeping dollars here in northwestern Ontario by having those recreational properties out there.

Mr Wilson indicated in his presentation just before you, and I'm sure you heard it, the importance of development of cottage lots throughout the region, and I think you have certainly reinforced that fact in terms of showing just how those dollars are kept in. I am happy with Mr Hardeman's comments in terms of recognizing that fact as well, in terms of taking a look at this legislation that will certainly recognize that fact.

Mr Gravelle has agreed to bring me out to your area in order to give us a better look at what your unique area does for the region. At this time, I'll turn over to him.

Mr Gravelle: Thank you very much, Frank. Certainly may I say to all members of the committee, everything Mr Clarkson and the gentlemen are saying, and several others — this is a remarkable part of our region and the province and it's really quite beautiful.

May I say the campers' association is incredibly active. I went to their annual meeting and there were over 100 people at the annual meeting, it seems to me, so it was pretty impressive.

I want to thank you for coming out and making your presentation because I think it is very, very important. I'm also encouraged to hear what Mr Hardeman was saying, but I think it's important even in terms of potential amendments to be very specific about the fact that we can't be walking into a double taxation situation, which I think there's a great deal of fear about. You've expressed it very well.

Silver Islet is somewhat unusual too in terms of the very few services that you actually have out there. Most people don't realize it, so I think it's more than significant that you're here and you've made your point. I think you're representing the feelings of a lot of other people.

I'm in essence just thanking you for coming out. I think you've made your points very clearly and I trust that the government members have been listening, as Mr Hardeman certainly indicated. I appreciate that very much.

The Vice-Chair: Mr Pouliot.

Mr Pouliot: Thank you very kindly. I am somewhat envious. I've never very been to your special location, and it is that, indeed.

Mr Gravelle: I'll take you too, Gilles.

Mr Pouliot: Yes, I would welcome the opportunity. Take me now, because if you don't do it soon, my good colleagues, I may not be able to afford to go there and I will stop being envious perhaps.

Your taxes are about to go up. With respect — I'm not a merchant of fear — there is no possible way with the new responsibilities, the new services, that your taxes will not go up. This is a given. There is nothing in the legislation, and it would have been simple, that prevents otherwise. Your taxes will go up.

You heard the tone from Mr Hardeman. If you read between the lines, it's called a fair share, it's called encompassing, getting everybody. There is nothing in this legislation that says, "We will do so," nor will there be in the regulations. "We will cushion your taxes. They will only go up by 5% or by 10%." Expect the value of your property to go down, because one of the first questions that people will ask is, "How much are the taxes and what am I getting for those taxes?"

You've said so eloquently, and I thank you, that you're not asking. The reason why you have a camp is not because you wish to live in the city of Thunder Bay. You go to camp to recreate. You want it that way. You're not opposed to paying a fair share, quoting verbatim, if I may. You're not opposed to having your association fork over or pay a little more to fix the road. At one time you'll have to get the grader out because you can't go on potholes unless you have a vehicle that can manoeuvre. But not everyone can afford a Hummer, and you shouldn't have to.

But by the same token, you're about to get it in the pocketbook. I'm not going to be very popular by saying this, but let's make no mistake about this. When Big Brother or Big Sister, the big city comes, they will want you to pay for the home for the aged. They will want you to pay for the ambulance; not all of it, a small part it. But you will pay a small part of everything. Whisky costs money. There is no free lunch here so when they give you the menu, you will have a small part of this, of this and of this that you don't have at present.

But it's coming to your neighbourhood, it's coming to your camp. So expect your taxes to go up, unless these people with the majority tell you, "There is so much money in the pot and if your taxes go up by 20%, we will take that money set aside to make sure that people at Silver Islet will not have to pay." But they're not going to do that. Ask them. They won't do it. In other words, look at your pockets, because it's coming out of your pocket to pay for services that you don't need, in many cases, nor that you wish to have, in all cases.

Thank you, Madam Chair. I sympathize. I'll take your invitation, I'll take you on. I'd better go now because in a couple of years down the line I don't want to go to a municipality or to a territory where there is nobody who lives there.

Are you going to pay, madame, may I ask? Are you putting some money aside for these people there? That's what they're asking for. They want to pay their fair share, but they don't want to be gouged.

The Vice-Chair: Thank you very much, Mr Pouliot. Thank you very much for being here with us today.

1210

RAINY RIVER DISTRICT MUNICIPAL ASSOCIATION

The Vice-Chair: I'd like to call upon the Rainy River District Municipal Association, Glenn Witherspoon and Dennis Brown. Good afternoon, gentleman. Welcome to the standing committee on general government.

Mr Glenn Witherspoon: Thank you very much. Good morning. I'm Glenn Witherspoon, mayor of Fort Frances, president of the Rainy River District Municipal Association and currently interim chair of the new DSSAB that's been formed in our district.

Mr Dennis Brown: My name is Dennis Brown. I'm the mayor of the township of Atikokan. I'm Atikokan's representative on the DSSAB for the Rainy River district.

Mr Witherspoon: Welcome to northwestern Ontario. I'm sure all the other delegates have said that. We do indeed appreciate the effort that the government has made to come north and listen to people at first hand. I thought I was in a theatre for a minute when Gilles was expounding his efforts, but I didn't pay to get in.

We in the Rainy River district are indeed looking forward to Bill 12's final passage. As you know, we are a district which is a step ahead of some of the other districts in the north. We've had DWABs, the DSSAB is now being formed, and we are waiting for the northern area services board to become a reality, with the extra services that are coming with it.

We support the bill totally. Although Bill 12 has six or seven services that it will be bringing with it, we feel that for years the provincial governments have asked for more input in controlling these local issues and Bill 12 would give us the teeth to act in that regard.

We do have some concerns about some of the bill's writings in regard to financing. We know that the CRF, the community reinvestment fund that's in place at the moment, doesn't have permanency to it. We know that we're good until the end of 1999. I think that when the act finally gets to passing there has to be something so that the northern area services boards will know there is some longevity to this and that they have to have that assurance of continuance of support from the provincial government.

As you know, we in northwestern and northern Ontario are 80% surrounded by unincorporated areas. In the act it states that certain bills are to be sent to the provincial

government and in turn it will reimburse the boards. We feel, especially in the Rainy River district, that the government has the opportunity here to reduce red tape. It has reduced over 200 issues in its legislation so far and it has an opportunity to reduce more red tape and make the bill very streamlined, to give the governance to the people who are at the front line and not to get involved with asking for billings for unincorporated areas for roads and whatnot, and turn the entire concept over to the local areas.

Ontario Housing gives us a bit of a concern. Although it's not directly written in the bill, the private non-profit housing authorities apparently have a free and open rein to set their own budgets and will ask us for funding. We feel that they should have no more priority than the regular non-profit housing and that they should be treated the same. We're also a little concerned that when the mortgages are paid, the surpluses would have to be returned to the government of the day, whether that be five or 10 years down the road. We think we're going to take on the responsibility and when the profits start showing up in this function they should be left for improvement of that service.

Also in the bill it says that they are recommending four payments. We feel that is too long. Two payments would suffice from municipalities. If you have one in March and one in September they can operate more fluidly with the cash flows, without having to go to banking institutions.

Also, you had in the bill that if some municipalities pay earlier, there should be reimbursements for cash incentives. That too is unfair because some municipalities are better off than others and they shouldn't be able to get a discount for paying early. So I think that should be reconsidered.

We in the Rainy River district are ready to take on the northern area services board. As I mentioned earlier in my presentation, the DSAAB representation has been formed. Some of the bigger municipalities have weighted votes and it's been accepted by the unorganized areas. The unorganized areas have their representatives named. We feel it would be very easy to go from DSAAB to the northern area services board and we're ready for that opportunity.

I believe Mayor Brown has a few comments.

Mr Brown: I have circulated some information concerning specific comments related to the Atikokan township council. I think that's indicative of our great province where there are opportunities in our democratic system for communities that do have some uniqueness to express their points of view. So I've outlined some of the things here where Atikokan has indicated it has not been completely in agreement with the other members of the Rainy River district.

Number one, we certainly support the initiative for a governance model that meets the provincial government's objective of smaller, less wasteful modes of government. We don't know if the Northern Services Improvement Act will actually save our township any money, so for that reason we're asking you to take your time and be patient, think it out as carefully as possible and do it right.

Ideally, we would like to see a cost-benefit analysis completed to see whether the land ambulance and public health would actually save funds for our community by being part of the six core services provided under the act. We would prefer land ambulance and public health to be optional rather than mandatory services, initially at least.

We have some concerns about land ambulance being included as one of the six core services, as Atikokan's land ambulance system is more closely associated with Thunder Bay than it is with the remainder of the Rainy River district. In the western part of the Rainy River district from Fort Frances to Rainy River, there is one hospital board that manages the three hospitals, Fort Frances, Emo and Rainy River, that the ambulances in that area serve. Atikokan isn't part of that system.

We feel that the DSSAB should be allowed to be in existence for a year or so before area services boards are considered. This will allow time to ensure all stakeholders have time to get the area services board structure right.

I'm going to go, in the interest of time, to the second page. That is the part that concerns us, about the possible elimination of grants. I've indicated there that Atikokan township council is very concerned that the provincial government, by implementing the area services board structure, will be further reducing or possibly eliminating grants to municipalities. This is quite unacceptable to our municipality. I've outlined how the cutbacks in our grants have taken place close to the last 10 years, where in 1990 we received \$1,446,656, and in 1997 we were down to \$1,285,439. In 1998, we are projected to get more money through the transitional fund and special circumstances fund, but with that we get more expenses and you can see what it works out to. We still have \$121,000 less in 1998 compared to 1997.

We just can't take any more cutbacks. Somehow the provincial government has to work out a system where it's carved in stone, and on a permanent basis, that the money is there for municipalities. We urge you to take whatever action is necessary to ensure that especially the small communities in the north, as well as the other parts of Ontario, are taken into consideration and that something is there for them.

With that, I'll end my comments. Thank you.

The Vice-Chair: Thank you very much. We'll begin then with the Liberal caucus.

Mr Miclash: Thank you very much, Glenn and Dennis. Good of you to travel from Atikokan and Fort Frances to be with us here this morning, or this afternoon, as it already is.

Dennis, you've indicated a difference in terms of \$121,000 less that Atikokan will receive from the province. Beyond that, have you realized any expenses in terms of fees to the local taxpayer or other expenses that have been added because of the downloading?

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Mr Brown: We see examples like in our hospital, where cutbacks are affecting the health care system, our education system. We were losing jobs from Atikokan because of the amalgamation of the school boards. For

capital projects, in 1998 we're doing very little and I don't know how we are ever going to be able to do much other than just a regular maintaining. But as far as resurfacing more roads and repairing our streets and that, it's going to be a problem. I don't know what the solution is. So yes, we see too many cuts taking place.

Mr Miclash: I would assume that you don't see this whole exercise as being what the government has told us on many occasions anywhere close to revenue-neutral.

Mr Brown: No, it's not. It's definitely not revenue-neutral.

Mr Miclash: I think that's something the committee must hear. As you were saying, Glenn, we appreciate the committee coming north for these hearings because, as I've been telling the Legislature right from day one, I have yet to hear of a councillor, mayor or reeve who has actually considered the whole exercise revenue-neutral. It's good for us to see actual figures in front of us and to hear from the two of you in terms of those.

In terms of input into the development of the entire bill, Glenn or Dennis, do you feel that you had enough input thus far into the development of this bill?

Mr Witherspoon: I think we have to this degree. When any bill is written, there could be more time spent and maybe more input from the actual players on the team rather than deriving the final bill without input. This exercise is definitely well worth it. As my colleague from Atikokan, Mayor Brown, has said, funding is definitely an issue. The CRF funding as we know, from our understanding, is until the end of 1999, but it has to be a continuance, because there is an elimination of municipal support grants, and the funding that's coming over with the northern area services board is basically coming with the services that are expected to be operated. The government is exactly on the right track of elimination of waste and elimination of duplication of boards, but the proper financing has to be there and the financing can be saved with teamwork from both levels of government.

The Vice-Chair: Thank you very much. Could we move on to Mr Pouliot, please.

Mr Pouliot: Thank you and welcome. I will try to be less dramatic. It's cheap theatre, but I hope it's free.

I agree with you. We all accept the premise that no duplication and less wasteful government are better for each and every one of us. That's a general consensus. When all is said and done, you're short \$121,000 from year to year. Sure, you get a little more money, but then your costs have increased because of your new responsibilities.

I would like you to share with us if you have it, focusing on Bill 12, in that context, what the impact will be, because I don't have an impact study with me or a feasibility study and they are about to pass this legislation. This will become law. It will receive royal assent some time in October. How will it impact your municipalities? How will it impact the Rainy River District Municipal Association?

Mr Witherspoon: I'll speak first in regard to Bill 12. I feel that the impact on the majority of the municipalities

will not be that great because we are going to bring in the unincorporated areas that have been obtaining a lot of services and paying nothing for them. There is no doubt about it that some municipalities' budgets will differ up or down to a small degree. The unincorporated areas, you mentioned to the last speakers, are going to pay, and rightly so. They should pay, because if the ambulance comes out and picks them up or if they have a mother or a daughter or a brother who has to go to the home for the aged, someone should pay. When those ratios are brought into the picture, then some of the organized municipalities will pay less.

Mr Pouliot: You say the impact should not be that great and everyone should pay their fair share. My question was, and I'm curious — I'm not saying that's not good enough for us — where is the impact study? How will it impact me? Give me some — you can't. I know they can't. They don't have an impact study, or if they do — the government, that is — they haven't shared it with people. Then the people are asking: "How will that affect me in my neck of the woods? How will my circumstances change?"

You are the responsible representative of the people at the municipal level and I'm asking you the same question as a resident of your municipality. How will this impact me? You don't know. You don't feel that it will go up or down too much. Simply put, you don't know because you have not been told. We have some ministry representatives, and I want to see some hard figures before I engage in support of the legislation. If in doubt, I vote no. They have to convince us that this is good but I smell a rat, never mind looking at one. The thing is this is a venue —

Mr Witherspoon: You're looking at us when you're saying that.

Mr Pouliot: Your worship, mark my words: Taxes will go up for everyone. They have already gone up \$121,000.

The Vice-Chair: We must move on.

Mr Preston: It's very easy to ask for an impact study when every impact study on every single community is going to be different. We could not possibly give you impact studies or anybody an impact study on every single community. Yes, there are going to be rises in taxes, yes, there are going to be decreases in taxes, but that is dependent on the model that you present to us, not on what we present to you. That's the idea of the program.

Mr Froese: We on the government side appreciate the concerns on the funding issue, and that's why with the community reinvestment fund the north received 42% of it. It's not that we're oblivious to those concerns. We understand that, and I think it was addressed in the community reinvestment fund. Certainly we'll take back your concerns that you have presented here as well.

Mr Witherspoon: Many municipalities do not have the ability to generate a new tax base; they're maxed. One example is Atikokan. They lost their mine about 15 years ago. They can get so many small industries and small businesses, but it's not the same.

Mr Froese: Sure. Mr Brown, in number 7 of your presentation you had asked if the community might not join the new area services board, and the answer is obviously that it's voluntary. They don't have to join if they don't want to join. In the act it says that there would be a three-year phase-in or a three-year window, as it were. Is that adequate, in your opinion, or should it be more, should it be less?

Mr Brown: I think three years is fine if that's truly what it means, that the municipalities will have that amount of time.

Going back to your first comment, it's my understanding that every municipality in the north will have to belong to an area services board of some sort. Is that right?

Mr Froese: They can choose to be involved or not. It's up to them.

Mr Brown: But they are going to belong to one area services board or another, right?

Mr Froese: If they choose to, they can; if they choose not to, they don't have to.

Mr Brown: I didn't realize that option was there.

The Vice-Chair: Thank you very much. I think we have —

Mr Hardeman: Madam Chair, I just wanted to clarify.

The Vice-Chair: Ten seconds.

Mr Hardeman: There have been a number of comments made about the community reinvestment fund, and this presentation made it again. The community reinvestment fund is the permanent fund that municipalities will continue to get, as they have been receiving the municipal support grant in the past. The one that is at times the sensitive grant is the special circumstances funding that municipalities receive to cover some of the transitional funding that came into place in the transition years. That is a two-year fund as it presently stands. The community reinvestment fund is a permanent fund to help recognize the differences in the assessment base of different parts of the province.

The Vice-Chair: Thank you very much, gentlemen, for coming here today.

1230

THUNDER BAY DISTRICT MUNICIPAL LEAGUE

The Vice-Chair: I'd like to call upon the Thunder Bay District Municipal League, Mr Ron Nelson, reeve. Good afternoon and welcome to the standing committee on general government.

Mr Ron Nelson: My name is Ron Nelson. I am the reeve of O'Connor township, which is a small municipality just outside of the city of Thunder Bay. I am also past president of the Thunder Bay District Municipal League and chair of the Thunder Bay District Health Unit.

I'd like to thank the committee for allowing me the opportunity to address the issues in regard to Bill 12. Some of the things in Bill 12 that we need clarification on,

that we would like to see, are the geographic areas as listed in the bill. It shows the districts in the north, Algoma, and in our riding in the Thunder Bay district, the Rainy River and Kenora areas. The reason I ask this is that we sat down back in 1997 with the city of Thunder Bay and started a process regarding the formation of an ASB. At that time we had ministry representatives from the Ministry of Northern Development and Mines at the table. We came to a loggerhead and it did not pass. We could not come to a consensus.

The next thing that was rammed down our throats was the DSSAB. We could not, again, come to a consensus because the city has major concerns regarding that. We received a letter yesterday from Mr Hodgson and Ms Janet Ecker that a DSSAB has been established and that the city is part of it.

The reason we need clarification on whether there is any flexibility in the geographic areas is that the district of Thunder Bay, excluding the city of Thunder Bay, has a population base greater than that of Rainy River, and you've allowed that one or you're considering that one. The city by itself has a population base of 113,000. In the unincorporated areas you have a population base of well in excess of 8,000 people.

I was reading through the bill, and one of the concerns I have is about the fact that you stipulate you can have local boards, you can have ASBs, but the question is, are you going to allow three of them, including one for the unincorporated so they can perform their own destiny, collect the taxes as they see fit and produce the mandatory core programs?

I think the ironic thing with this bill, regardless of whether it's this bill or whether it's a DSSAB, is that this government again has imposed that the municipalities are the bad guys, which I don't think is really true. I don't think your government is really that bad either.

The concern for the geographic areas in this district has to be addressed and has to be put on the table very quickly as to whether or not things will be allowed to happen.

The collection of taxes in the unincorporated areas has been a sore point with the municipalities as well as with the people who live in those communities. What the bill does is form another bureaucracy and another level of government to get taxes. Taxation model number 1 includes the province. You people go and get the taxes and pay the ASB. Taxation model number 2 is the closest thing to regional government that I've seen. You totally disband the provincial level of any accountability to that board.

Our concern is the loss of the grant structures that are in place right now, the community reinvestment fund. As for Mr Hardeman, he should have been at the NOMA meeting which was held here in the city because Minister Hodgson said, "The community reinvestment fund is a permanent fund for two years." Read me again, "For two years." He stood in front of 150 people and said that, so just to clarify.

With the taxation model number 2, the unincorporated will not have fair representation no matter which way you

look at it. The formation of DSAAB was imposed on the district. It was imposed in Rainy River; it was imposed in the north. This was a solution that the province felt was needed.

I look at Bill 12 as a feel-good act, to make you feel good. The analogy I use is at the supper table when my wife has made spinach and my two little boys are sitting there and they say, "What's for supper?" She says, "We're having spinach." "Oh, but you know I don't like spinach." "Yeah, but I cooked it a different way." Either way you cut it, it's still spinach. This is an act that looks at it and says: "It makes you feel good. You have a local solution and a local choice." I hate to say it, but there don't seem to be too many local choices in this, because if you don't take Bill 12, you're stuck with the DSAAB, which is still another bureaucracy that will provide services. Whether it's going to save dollars, time will tell.

With that, one of the concerns we have is that a study was done with Peat Marwick Thorne in regard to financial impacts by the year 2000 alone. In the north we cannot afford to lose the community reinvestment fund or the special circumstances fund. We do not have the assessment base. By taking over areas of the unincorporated, and they're going to come in kicking and screaming and fighting — I do not want to sit around the table here or at a board structure and say that the municipalities imposed this level on to these people. You people are the ones who are forcing your cards to the people of the unincorporated.

Upon the elimination of the special transition funds, raised taxes are going to be inevitable. All taxes are going to increase. Through the WDW process, in the report of Peat Marwick Thorne, a per capita household increase in the north on average will be somewhere in the neighbourhood of \$800 per household. With the development of an ASB, I find it very difficult for that board to try and find that money to offset the loaded costs that are coming down to it.

The core services that are established under an ASB are a little bit more prescriptive than they are under a DSAAB. You now have a lot of ministries all under one hat of the Ministry of Northern Development and Mines. It's a concern because, do we have the power in the lobby group to go back to municipal affairs? Do we have an opportunity to go to community and social services when the ministry that controls this whole ASB is northern development and mines? Our concern is whether or not we'll lose the lobby power to change regulations in the acts to allow us more flexibility. Thank you.

The Vice-Chair: Thank you very much. We'll begin our questions with Mr Pouliot.

Mr Pouliot: Thank you, Ron, a renewed pleasure indeed. I'll give you a secret of our most honourable trade. When I was at transportation, and northern development and mines, we looked quite closely at the unorganized territories. We did the same rationale of "Me too; if I pay taxes, why should you?" Some of us even questioned the validity of special places that people called home and said, "They used to do this 50 years ago but the main industry left town and yet we're stuck, all of us, with subsidizing

those." We weren't too strong on the human dimension when you add things up.

However, when you embark, whether people like it or not, and to me that's the bottom line — I think that's the reason why we didn't push it any further. Heaven knows governments are always short of money, or so they say. We didn't go further. Simply put, if I'm to pay the same taxes or my taxes are going up substantially, am I to expect, because I'm like you now in terms of paying, the same services that you often take for granted? If I'm eight kilometres out of your township and my taxes are going up because I'm starting to pay for this and that, will you give me the guarantee as a citizen that you will pave the road and you will maintain the road? The government will not give you that kind of money for infrastructure.

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I'm tired of the septic tank. I know it meets all conformity to have well water but I want to be connected. The problem with us is that we're eight kilometres out of town and there are only 150 of us. But beware when there's one hand that takes and the other hand has to give. They go together. That's the reason why we didn't do it. We cursed and jumped up and down and in the final analysis we said, "No, the pain outweighs the gains by far."

I think that unless you know pretty well exactly what will happen and when it will happen, be in doubt, and if you're not cognizant of the impact it will have on your municipality and also on the other people who are being "incorporated," then you have to tread very, very carefully, because when this thing is done, there is no turning back. You can't play ping-pong.

When they said it's a voluntary mechanism that you have so many months to enter but this is no gimmick here. They have a lot of clout. It's hardly veiled if at all. You either join or you get on board. There's only one train leaving the station, and if you don't get on board, twist of the wrist, slap on the hand. You don't have much choice. This is not the most democratic of exercises. You do as you're told, but then they won't tell you how much it will cost you. I'm concerned about Bill 12 for those reasons, not because we didn't do it — governments change and so be it — but because the impact has not been fully explained to people. Do you share that, Ron?

Mr Nelson: Again, the organized municipalities for years in the north have always indicated that the unincorporated were not paying for the services that were being provided through — sometimes in a lot of municipalities they serviced the unincorporated. That has been an ongoing thing since way before I got involved in politics and it probably will be. They feel they are justly served and that they are paying their fair share; municipalities and people who live in municipalities feel that they're not paying their fair share.

Mr Hardeman: Thank you for the presentation. First of all, I just want to reiterate the issue of the funding as it relates to the grants that will be added to municipal budgets to make the transition in the transfer of municipal and provincial services. There is a \$600-million

community reinvestment fund, which stands in the place of what used to be the municipal support grant. That is an ongoing fund. Obviously what a government may do 10 years from now with a community investment fund or what they would have done if there were still a municipal support grant is a decision that governments of the future will make. The present government has made the decision that it is an ongoing, permanent fund. Incidentally, of that fund northern Ontario, because of their inability to achieve the same tax base they have in southern Ontario, got \$268 million, or 40% of that fund, to offset the assessment problem that exists.

The other fund was a \$77-million special circumstances fund and that is the one the minister referred to as a two-year fund as it's presently set up. That's not to suggest that decisions in the future could not be made to extend or to do others with it, but it was a fund required for special circumstances as they exist in municipalities, again as different municipalities have different circumstances. Of that, the north received \$18.3 million, or 25% of that fund. But I want to emphasize that the community reinvestment fund is a permanent fund to help municipalities cover the cost of the realignment of those services.

Also in your presentation there seems to be an indication that you're concerned that everyone is being forced into the area services boards.

Mr Nelson: No, it's optional.

Mr Hardeman: I want to point out that it is a very permissive piece of legislation. Municipalities will only use it if it is to the benefit of the people they were elected to serve. If in the three-year period of time, hypothetically, no one in all of northern Ontario decided to take that approach to form an area services board, that would also comply with the legislation. There's nothing in the legislation that at any point in time would force a municipality to enter into an area services board arrangement with their neighbouring municipalities, different, as you mentioned, from the DSSABs, the social services boards, which are set up throughout northern Ontario now to deliver the social services that are being delivered by the municipalities. I wanted to make sure that we —

Mr Nelson: Yes, I understand that it's totally optional. I understand that a DSSAB is in place now and it will be worked upon to do that.

The comment I have is on its being voluntary to get into an ASB, as you say, to see whether after two or three years it works. Do we also have the option to opt out of it if it's nothing but a nightmare?

Mr Hardeman: No, the legislation does not anticipate people getting in and getting out as they deem appropriate. I would assume that any municipality would give considerable consideration as they were putting it together and then they would only put it in place if it was going to be to the benefit of the people they serve. No, part of the legislation is not an opting-in and opting-out clause. In fact, as I mentioned to a previous presenter, the window of three years is meant to put some finality into the process. All those who are looking at making these changes can be somewhat confident that when they are made, they will not

keep changing how these services are going to be or should be delivered and how they should be paid for.

Mr Gravelle: Ron, good to see you. I just want to confirm one thing Mr Nelson said during his presentation. It's true, because I was at the NOMA meeting as well and the question was asked of the minister about the community reinvestment fund, and he said precisely, "The community reinvestment fund is a permanent fund for the next two years" — for two years. Those are exactly the words he used, which I think should at least alert you to the fact that the words "permanent" and "two years" apparently can be used in the same sentence. This is what concerns us. Certainly the special circumstances fund is crucial as well.

A point Mr Nelson made that I'd like to have you talk about a little bit more, if you would, is that both these funds are crucial in terms of the process not resulting in massive property tax increases to our residents. Is that not true?

Mr Nelson: If you take away the community reinvestment funding, you're going to bankrupt every municipality in northwestern Ontario unless they go after the ratepayer. Like I indicated to Mr Leach when he was at a NOMA conference, should you take away any funding that is in place right now, you're more than welcome to come to my community because I'll hand you the keys and you run it. The fact of the matter is that without the community reinvestment fund and the special circumstances fund, most municipalities in northwestern Ontario cannot survive, plain and simple. We do not have the assessment base.

The other problem I see with this, again going back to the unincorporated, in areas of the unincorporated there is not enough assessment. If this government wants to go with that, then I think what they should look at is all the unincorporated townships. Give them a community reinvestment fund equal to the percentages of a municipality for the sizes they are. Then your tax burden going to the unincorporated will be a little bit less.

Mark my words, these people in the unincorporated are going to get hit, and hit heavy. I do not, and that's why I am stating it, look at this as the province's indicating this bill and the DSSAB bill — which is going to increase taxes in the unincorporated substantially. Municipal leaders in the north are not going to get blamed for this one.

Mr Gravelle: Don't you think it really is cynical of this government, because that's precisely what they're going to do? They've said more than once it'll be up to the municipalities to make those decisions. They'll have their choices, as they say, when there aren't many choices out there, much like there's no real choice in that a DSSAB has been imposed and now you have the option of an ASB. The word "choice" I think is a strange word to be used around here. As you say, it's got to be made clear that this is not the responsibility of municipalities and this is being imposed by the province.

Mr Nelson: The province has said: "You have a choice, a DSAAB or an ASB. Take your pick. Which one

do you want? If you don't like either one of them, I'm sorry, you're going to get stuck with the DSAAB." It is proven that a DSAAB has now been forced on to the district of Thunder Bay, no if, and or but. I have the letter right in front of me, signed by Mr Hodgson and Ms Ecker, that a DSAAB is going to be formed, plain and simple.

Mr Gravelle: What kind of choice is that, ultimately?

Mr Nelson: That's what I said. Nice choice.

The Vice-Chair: Thank you very much for bringing your ideas here today.

1250

UNINCORPORATED TERRITORIES IN THE THUNDER BAY DISTRICT

The Vice-Chair: I'd like to call upon David Leskowski from the unincorporated territories of Thunder Bay. Good afternoon and thank you for appearing today before the general government committee.

Mr David Leskowski: Thank you very much. I am commenting as a representative of the unincorporated territories in the Thunder Bay district. I thank you for allowing this kind of public input. I've broken my talk into two or three sections.

The first one is just discussing the concept itself of an area services board. During the time I have been involved in discussions related to the setting up of an area services board, I have learned that this kind of legislation has been considered by many previous provincial governments. Judging by the frequency and regularity of the appearance of these attempts, it seems inevitable that some new kind of service delivery model will be put into place eventually. That's our feeling in the unincorporated territories.

We proceed from that assumption. We have been holding public meetings on a fairly regular basis over the last two years. Since residents in the unincorporated territories have been holding public meetings to discuss the proposals to create an area services board, there has been some favourable support for the concept. This support has been positive for two reasons. The first reason is that those who reside in rural areas live there because they want to exercise some control over the services they access. They already dig their own wells, take care of their own septic fields and haul their own garbage. In a very general sense an area services board promises to transfer more control of community services to local governments and local residents. Some residents also think that these services, if locally controlled, can be delivered more effectively and more economically. Those comments come up repeatedly in our meetings, with many examples.

The second reason for a positive response to an ASB proposal is that it appears to be an alternative to increasing the level of local governments. Unincorporated territories have not incorporated because they didn't want to. Regardless of what the previous presenter, Mr Larson, said from whatever planet he was on at the time that he formulated his presentation, there is no support for a higher level of organization in the unincorporated terri-

ories. Meeting after meeting, no groundswell of grassroots support is there for higher levels of organization. That simply is not the case.

Residents in the unincorporated territories have not wanted to spend time going to council meetings. They do not want more town halls, they don't want more payrolls, they don't want more building inspectors, firearms bylaws and zoning restrictions. These things come up all the time. They do, however, recognize that to increase local control of services, a corresponding increase in delivery mechanisms is required. Presently, the only way to achieve this is to incorporate or to amalgamate, and inherit all the other trappings of a higher level of local government. Our hope is that an ASB will be capable of delivering some local control, with only a reasonable increase in government structure.

I must emphasize the words "reasonable increase in government structure," because all stakeholders, except for the empire builders, who you may have heard from here today, do not relish the thought of creating an entirely new level of government. If an ASB results in more bricks and mortar, escalating budgets, payrolls, perks for politicians and duplication of municipal or provincial services, our support will vanish overnight.

The next thing I'd like to discuss is taxation. Besides questions about the structure of an ASB, there are many questions being asked about how taxation in the unincorporated territories will change. We have seen many changes already and more are expected, regardless of the introduction of any new service boards. The reduced role that the province is taking for road maintenance alone is a great worry to many rural residents. We only hope that obtaining more local control will allow tax dollars to go further.

Of course, there is great fear that an ASB may cause unfair overall increases in taxation. Primarily the fear is that, on an area-wide basis, residents will be taxed for services they do not access, cannot access, will never access and do not even want. Nobody objects to paying for services they access. Most of the social services fit into this category. Who knows when they will need an ambulance or welfare or social housing or child care or a home for the aged? And few argue against public health services.

We encourage you to adopt a taxation model that allows for regional differences and regional choices. If residents in one township, such as myself, want to maintain their roads in barely passable condition and residents in another want pavement, allow the tax model to respond to that. If one area wants 24-hour community policing and another wants only emergency response, let the tax bills reflect those choices. In the unincorporated territories, businesses by and large coexist peacefully with residences, farms and multi-residential areas. This appears to be in stark contrast to the philosophies and tax ratios adopted by the municipalities.

Referring directly to Bill 12, we would favour taxation model 1, where municipalities can use their own tax ratios. We in the unincorporated territories would like to

maintain a 1-to-1 ratio across the board. Model 2's proposal for a single tax ratio across the district would turn support for an ASB into tax revolts and probably civil disobedience. At minimum, it will put many commercial enterprises out of business and in fact decrease the total tax base. These businesses have located in the unincorporated territories for a reason. I can think of no more than one out of 10 in my area that will still be in business if you put them into a tax ratio model of any of the municipalities.

Regarding representation, in order for the needs of the unincorporated territories to be fairly met, they must be represented properly. During various ASB committee meetings, a number of models for representation have been proposed. Some of these proposals have emphasized population, some territorial blocks, and others numbers of entities. In the latter case, each organized municipality has counted as one. There are 17 municipalities in our district. The city of Thunder Bay is counted as one and for some reason all the unincorporated territories tend to be lumped together into one entity. Any model adopted for representation must reflect the needs of the majority of the population — it's agreed — and consider the vastness of all the territories it must serve.

As the services which could be administered by the ASB may be evenly accessed by all residents, regardless of whether they live in an incorporated or an unincorporated territory, we wonder why there should be such a noted difference based on their level of organization. Municipal residents can go to their local library, call their dogcatcher and get a building permit from their town office, and they should pay for these services in their own area, but when they access an ASB core service in the same way that a resident in an unincorporated area accesses it, why should they be more represented on the board?

1300

We do not have the magic formula to propose here for representation on the ASB, but we would like to highlight some characteristics of the unincorporated territories. We are more than the 8,600 taxpayers listed on the assessment rolls. Our territory occupies, by our own estimate, 97.3% of the district of Thunder Bay. When forests are cut, when clients go to outfitters' camps, when mines are opened and when there are accidents on the highway, chances are good it will happen in unincorporated territory. Compared to the 17 municipal areas, there are over 100 surveyed townships in the unincorporated territories. How about a representative for every 25 townships? There are eight local services boards. There are an additional 47 roads boards. While that number may be reduced in the future, the vastness of the territory and the kilometres of roads used by residents, workers and tourists will probably not decrease.

A representative must, by definition, represent somebody. It may be possible for a representative to know what is happening in two adjoining municipalities, if the number of residents is small and the area represented can be driven across in one day. If the ASB is serious about

wanting to represent the needs of the district, representatives should not be responsible for an area larger than they can drive across in time for a meeting or so large that a public meeting held in the area cannot be attended by a reasonably significant number of area residents.

At minimum, we recommend that for the unincorporated territories there should be one representative from the area southwest of the city of Thunder Bay, one from the area northwest of the city, one from the Highway 11-Highway 17 corridor east of Thunder Bay, and one from Armstrong.

Armstrong itself poses certain challenges, due not only to its remoteness but to its unique role in the district. Take all that you've heard here about the differences between municipalities and unincorporated territories into consideration when I read this next paragraph.

There is a medical clinic in Armstrong, unincorporated territory, which is administered by the Ministry of Health but is also part of the underserved area program out of Sudbury. There is an ambulance service, provided by the Nipigon hospital. Changes in that arrangement are expected to occur in January 1999. There is social housing, funded not by the province but by CMHC. A number of residential units owned by the CMHC are occupied by those in need. They pay \$150 per month over 15 years until they take ownership of the buildings themselves. There is an airport and there is economic development. This economic development is provided by a non-profit corporation called the Armstrong Resources Development Corp. This corporation obtains only 15% of its funding from the MNDM. They generate 85% of their own income. They used to receive royalties from Avenor for wood products cut on land in their jurisdiction. Since then they've purchased an unused school from the school board for \$1, renovated it and earn income from office space occupied by Buchanan Forest Products, a legal clinic, a courtroom and many others. I don't feel that this unorganized territory is a big drain to the municipalities.

It is not likely that one, or even two individuals, can fairly represent the needs of the unincorporated territories near the city of Thunder Bay and everywhere else in the district at the same time.

It has been felt that the area being called the "district of Thunder Bay" is in fact too large to remain one district. We would prefer that it be split into at least two parts. We would also support the proposal that the city of Thunder Bay not be included as one of the entities. Instead, we would prefer it to be seen as a service provider for the district. Really, services are not delivered to 80% of the population, located within 323 square kilometres, which is 0.26% of this district, the same way they are delivered to the remaining 20% of the population spread out over 125,547 square kilometres. There's no way those services are delivered in the same way.

As summary, I have a big gripe. When the ASB committee first met, a number of meetings were held without any representation from the unincorporated territories. I believe there were two or three. Until reviewing the minutes, I think John Ranta or somebody from the

city recommended that those meetings cease until someone from the unincorporated territories should attend. This was not a good start and it was not the way to obtain co-operation from us.

When the agenda switched from talks involving an ASB to a DSSAB, communication was sent out by the Ministry of Community and Social Services containing reference to four representatives from the unincorporated territories participating. However, even after numerous meetings and a relatively good degree of agreement between the city of Thunder Bay, the municipal representatives and us in the unincorporated territories, one meeting was held on June 25 this year where, just by circumstance, perhaps due to the geographical size of our area, no representative from the unincorporated territories was able to attend.

On June 25, ADW Consulting facilitated a meeting attended only by the city of Thunder Bay and the municipalities. In their correspondence, using slogans like "informed vision," "reliable ideas" and "effective directions," they proclaimed that a consensus for representation was reached. This consensus reduced the participation of the unincorporated territories back to one. This is not the way to maintain co-operation, and I hope our tax dollars are spent on higher-quality consulting firms in the future.

We look forward to continuing to participate in the development of better ways to deliver services in our district. We are confident that the process from this public meeting forward can be both fair and effective. Thank you for your time.

The Vice-Chair: Thank you very much. We have a very brief time remaining from this presentation. I'd start with Mr Hardeman and ask you to make very brief comments.

Mr Hardeman: We thank you very much for your presentation, again pointing out that the issue of the unorganized is not necessarily that we do not want to pay our fair share but that we want to pay exactly that, our fair share. Your comments about the division of where these services are being provided and where they're being consumed and how that relates to how you couldn't have everyone paying exactly the same and still stick with the fair analysis, I appreciate you putting that forward and giving us something to look at and work with to make sure that's being done.

Just at the end, when you said you have a gripe, I can see there is some concern and it appears legitimate concern that the dialogue locally on the issue hasn't been quite as good as it should have been and it appears that maybe more of that needs to be done. I guess it also points out why it is that the DSSAB was implemented in the last week or so as opposed to coming to a local agreement of how it was going to be provided, because it would appear from that negotiation that a local solution was not imminent and was not going to be found. We hope that if the bill passes and the district decides to look at the area services board, a better dialogue approach will serve the

needs of all of us a little better. Thank you for your presentation.

Mr Gravelle: Thank you very much for your brief, Mr Leskowski. It was very detailed in a lot of interesting ways, but I think what it highlights is how almost impossible it is for this to end up being a fair process. I think the bill itself was set up that way, even in terms of the representation that you described. The unincorporated areas are just massive. Your use of Armstrong is a very good example. A community that operates with a number of services and is out there with a medical clinic and other such things and the development corporation, how can it be represented really fairly? I think you made that very clear.

I must admit that it's difficult to understand how the government could even see this as being something that is remotely fair in terms of how the representation works out, let alone the fact that the imposition of the district social services administration board now leaves the district in a pretty interesting position, as Mr Nelson was talking about earlier, in terms of what choices they really have. No matter what, in terms of representation on the boards I don't think there's going to be a way to make the representation entirely fair, whether you're talking about unincorporated or you're talking about the municipalities within the district. The city of Thunder Bay itself will express some discomfort or unhappiness at it. It's a process that I think we shouldn't be going through, but in fact we are. Thank you very much for your presentation.

Mr Len Wood: Thank you very much for your presentation. It's quite obvious, from an editorial that I saw last week in one of the weekly newspapers in Kapuskasing, that it looks like the eventual role of this government is to have 10 regional governments in northern Ontario and the ultimate goal would be to have only five or six where the cities of Thunder Bay, North Bay and Sault Ste Marie would control everything in northern Ontario, and the unorganized areas and even the small municipalities would have no say on what is going on. It looks like this is the way the agenda is being driven from Queen's Park, where northern Ontario will have no say on what type of government is going to take place, especially if this government gets elected for a second term. We know that there'll be five cities in northern Ontario and nothing else will mean anything to anybody: "Just pay the taxes and keep your mouth shut."

Mr Leskowski: At one of our meetings I discovered the NDP government was planning on creating a social services board by arbitrarily drawing the line on the Spruce River Road and arbitrarily putting everybody into one on one side and one on the other.

Mr Len Wood: It didn't happen though, eh?

Mr Leskowski: As I said, during these meetings I have found there is no safety in any of the governments that we have before us. This ASB proposal has a chance of working if the representation is fair. I'm not here to bash a government or support a government. I think we can work with this. I've outlined our concerns and our gripes very clearly.

Mr Len Wood: I understand that.

Mr Leskowski: I do not feel that if there is a change of government this whole issue is going to go away, because service delivery must be changed. We're trying to work very positively with the city, with the municipalities and with the provincial government. We're only asking for fair representation.

Mr Len Wood: And you're not getting it.

The Vice-Chair: Thank you very much. We appreciate your comments here today.

This concludes the formal presentation part of our meeting here. We will stand adjourned until 3 pm in Kenora.

The committee recessed from 1312 to 1459 and resumed in the Best Western Lakeside Inn, Kenora.

The Vice-Chair: Good afternoon and welcome. This is the standing committee on general government looking at Bill 12.

Mr Miclash: I'd just like, as the member for the Kenora riding, to welcome the committee into Kenora this afternoon. As some people will know, we started off in Thunder Bay this morning, had a very busy morning and I'm certainly looking forward to a great afternoon here in Kenora. So again I'd just like to welcome the committee to Kenora and we're happy to have you here for the hearings.

The Vice-Chair: Thank you very much. It's certainly my pleasure to welcome the presenters here today.

NORTHWESTERN ONTARIO MUNICIPAL ASSOCIATION

The Vice-Chair: I'd like to call upon our first presenter, Northwestern Ontario Municipal Association, Mr David Canfield, the president. Welcome to the standing committee on general government. You have 20 minutes in which to make your presentation and you may use all or part of the time allotted to you. If there is time available, we'll have questions from the caucus members.

Mr David Canfield: Can I bring my support group here?

The Vice-Chair: Certainly. For the purposes of Hansard, please identify yourself and your support.

Mr Canfield: Mayor David Canfield, and Jeff Port, tri-municipal planner for Kenora and Keewatin and Jaffray Melick.

First off, I'd like to welcome everybody here and thank you for coming. I realized that as the session was closing, it was kind of debatable whether the second reading was going to get going and the committee was going to be here. In fact, I was running around Queen's Park that day trying to corner everybody to make sure that second reading got through because it was very important for us up here to get it on the table and get some discussion around it and get moving, seeing as we're a little bit ahead on this and we don't like to get held up. So I want to thank you for coming here on behalf of NOMA.

The brief I've got is fairly straightforward and fairly general. I'd be quite willing to answer questions after on more specifics, but being that I'm representing all of

NOMA, I figured I'd better not put my personal opinions in the forefront and get my hand slapped afterwards.

In the north, we believe that the Northern Services Improvement Act is a move in the right direction to consolidate services and eliminate duplication and delivery at a local level by the people who know best, the people in the north. As we've worked very hard over the last year and a half in developing models of governance and delivery, it is vitally important that the government accept our models and ideas and base the legislation on our needs and not Toronto's needs.

The legislation must be flexible even though it is northern legislation. Because of our size and diversity, one size just won't fit all. The Kenora District Area Services Board could be completely different from one in the northeast because of different needs, population and geographic size.

Another serious concern is pay. If we're going to pay for these services and deliver these services, then the government must stand back and allow us to do our job. We can agree to guidelines on certain levels of services, but if the government tries to control our governance of these services, then they shouldn't be transferred in the first place. It wouldn't make any sense for the government to tell us how to spend and manage our own money, nor would it make any sense to transfer services and not give us full control of their governance. We've dwelt at the AMO level too on the fact of pay for say.

During the next five years, as we develop and probably change our models as we learn and we get further into this process, the government must understand that we may need changes to the act or possibly just the regulations. The bottom line is that the government has made sweeping changes over just a few years and it must be willing in the future to make sweeping changes again if we require them. Even though we've worked very hard putting our ASB model together, we know that we will find problems in the future as we get deeper into the internal workings of it. Therefore, we need the assurance that the government will continue to work closely with us and make changes as needed in the future. Again, if the government is not committed to this type of flexibility, they should not be transferring the services. The bottom line is, we're learning as we go and we have to have the flexibility to change as we go. Legislation that's put out today might have to be changed tomorrow or next month. That's just a reality.

Using the Kenora district as an example, we have a huge unincorporated area which realistically might not become part of an incorporated community. There are some areas that have become incorporated and one of the remarks made is, "Maybe we made a mistake." As different models have materialized over the last couple of years, it has made all of us take another look at where we're headed. Perhaps the ASB might be the best model of governance for the majority of the unincorporated. We're not really sure. What we are sure of is that the ASB must be given the flexibility to tax for services provided or available to the unincorporated and any future

services either downloaded or transferred to municipal responsibility.

There is a fear by many of us in NOMA of this developing into a county type of government. This is not the process we started, nor is it where we want to end up. We see it as a modified upper tier and staff in existing municipalities will do tax collection and administration of the district-wide services. If the ASB becomes the administrator for all local roads boards, say in the Kenora district, this could lead us towards a county style of government. Local people in each location who know their needs and are on a volunteer basis run these local boards and in most cases we might not want to be involved.

Each ASB should have that option in their model of governance. For instance, Kenora and Dryden will continue managing their own local services without any input from the ASB. The area services board will be responsible for district services only. Therefore, it is probably just as practical that the unincorporated areas do the same. The same flexibility should be given for optional services such as economic development, airport services, land use planning, waste management etc. Some areas might have a wider variety of optional services than others might and therefore flexibility again becomes a big issue. Again this would depend on where it is in the north. That's why I'm saying with area services boards, one model doesn't fit all. It might be different here than it is in the Geraldton area or Thunder Bay district.

As we all know, down the road there will be another round of transfers of responsibilities to municipalities as the second half of the education tax comes off the residential tax bill. We believe the Northern Services Improvement Act should be flexible enough to be able to include this without having to go back to the drawing board and draft another new act.

Municipal leaders in the north believe that area services boards are a step in the right direction for better service delivery, quicker response to needed change, homemade solutions, local control of local boards and agencies, elimination of overlap and duplication of services, and, as time goes on, the possible consolidation of numerous boards. Again this is from the Kenora area perspective, looking down the road at where we see it ending up. This might not be the same model for another area services board somewhere else in the province.

The government must not lose sight of the fact that all services in the north are more expensive to provide and deliver because of our huge geographic size and low population. Therefore, some type of reinvestment fund or transfer payments must remain in place to keep us on a level playing field with our friends in the south. Unless we get control of some of our natural resource revenues, we do not have enough local revenue to support all of our services.

Provincial averaging is one avenue to pursue, as all costs in the north are much higher than the provincial average. One good example is the cost of policing. In the Kenora district it was \$711 per household, with the provincial average being \$252.

I think if we take a look at social housing, child care or any one of them, especially in the Kenora district, it appears that the Kenora district is generally higher than the rest, probably because we're one third of the land mass and have a population of only about 60,000 people. It doesn't matter how you look at it, it's going to cost more money. If this is strictly a downloading exercise to put the costs on the areas where they're incurred, the reality is that we'd basically be a Third World state if we had to pay the full cost. It's just not feasible unless there is some type of revenue passed down from our natural resources, whether it be mining, forestry or whatever it might be.

The bottom line is, the provincial average is something that we've brought up before and I think it's something the government might have to look at in the future as reinvestment funds change and we take a different approach to the way we're going to fund and make up the differences between the north and other parts of the province.

There's one other thing on the act itself. Currently, there's no mechanism in Bill 12 for the conversion of a DSSAB into an area services board. Provision for this conversion should be included in Bill 12 as the area services board — we're already there in the Kenora district. When we said we needed this legislation, I think it was going to come in in January last year and it didn't come in. We don't want to come to January 1999 and be held up again and be in a position where we have to go another year to get our area services boards in place.

1510

Mr Jeff Port: I only want to make one supplementary comment. Mr Spina was here a number of months ago and I guess I made that comment directly to him, and I'd like to make it to the MPPs here today. I have only one caution on Bill 12, and I guess we've had some real first-hand experience with this because in the Kenora district we believe we were first out of the gate and had an opportunity to draft one of the first proposals that a lot of this legislation came out of. We were very careful and very cautious around limiting the other types of services that you would want to deliver through an area services board. We had a lot of debate around the table and we ended up limiting it to what you would call the core services in Bill 12. There are other optional services there.

My only fear is if they're all left in, while it does add flexibility — I think that has some merit and you should consider that — at the same time there is the opportunity or the pressure for, say, areas outside municipalities to pull those services into what you would call the upper tier. To my mind, in some of the briefing notes I've prepared for the elected officials in our area, in a sense you really haven't created anything greatly unlike a region or a county. If we keep coming back, what you'll hear again and again is, "We don't want another one of those." It's been proven that they're a difficulty because what you've done is then built in overlap and duplications. You've got two levels of governance competing or attempting to deliver the same service and we're right back into the county or the regional government bashing heads against municipalities.

We had that discussion in the Kenora district. That's why, even in our proposal that was prepared to go forward under what was Bill 174, we had limited it to the core services. I only throw that out as a caution. We don't want to go out and create problems that, let's face it, municipalities, counties and regions in southern Ontario have been trying to sort out through the restructuring process over the last two years. Let's not go out and build it into a new piece of legislation.

The Vice-Chair: Thank you very much. We'll begin with questions from the Liberal caucus.

Mr Miclash: Dave, I remember when you were down in Queen's Park and lobbying for those hearings to come into the northwest. As I indicated earlier, I'm certainly happy that the committee has travelled into this region to hear about some of the aspects that we will be facing throughout the northwest.

This morning we heard from the reeve of Atikokan. He had indicated that the Atikokan costs were going to be up \$121,000 because of the dumping or the downloading of government services. As we know, part of the purpose of Bill 12 is to deal with some of the downloading of services. What are you finding in the municipality of Jaffray Melick in terms of your actual costs, in terms of the downloading of services on to that municipality?

Mr Canfield: The actual cost is not a great concern because the bottom line is that we were given a 1.7% saving and anything above that will be picked up by the community reinvestment fund, whether they intend to or not. Those were the guidelines, sworn to by the Premier's pinky finger, and we plan on holding him to it. Right off hand I can't tell you the exact amount. I think our shortfall in the tri-municipal area was around \$3.7 million or something like that.

Mr Port: Yes, when we did our first cut, before we knew that there would be a community reinvestment fund to pick up the balance and we had taken a quick cut at the numbers with the clerks and the treasurers in Kenora, Keewatin and Jaffray Melick, initially we were looking at about a \$3.9-million shortfall.

Mr Miclash: I think one of the main concerns of municipal leaders as we travel throughout the north is that these funds have been slated for the next few years, a portion of the fund, as you know. My question is, what happens after the funds have dried up after those two years? That would be after another election. Somebody who would be a critic would suggest that the term of the government — I'm just asking you, Dave, as a municipal leader, what do you see happening once the reinvestment funds have run their two-year period?

Mr Canfield: This is why in my last paragraph there is the fact that we asked for clarification on that, why it didn't go beyond that. They said, "In two years we'll revisit and come up with another solution." The bottom line is that the money has to continue to flow, whether it comes through the community reinvestment fund or whether it's a reinvestment that comes out of revenues. That's why I said revenues in the north, say, from our mining, our lumber industries and stuff like that — to us,

it's immaterial where the money comes from. We just want a fair shake and we want the money that is owing to us.

If the government decides to do a revenue-sharing thing, maybe that's a formula, I don't know. The bottom line is that we're \$3.9 million short in Kenora, Keewatin and Jaffray Melick. Throughout the whole district, you're going to be millions short. As I said before, because of the high cost of the delivery of service, especially in the Kenora district and all of NOMA, our costs are going to be higher. The government can't lose sight of that and we won't allow them to lose sight of that. Something has to be in place in two years.

Mr Miclash: So you're looking for the revenue-neutral position that this government has said was going to be right from the—

Mr Canfield: Yes, exactly.

Mr Len Wood: On the revenue-neutral, there have been commitments made by the Premier that this will be revenue-neutral and yet we know from what we're hearing in presentations and what people are talking to the media about that it's not revenue-neutral. An example there is, why would people in southern Ontario only be billed \$252 for OPP policing and in Kenora area it's \$711? That's at least three times more. A lot of the things are exactly that, three times the cost of doing business in the north to what they are in southern Ontario. With all of the downloading since Bill 26, the bully bill that was brought in, and all of the other downloading, if there were no grants, what would your tax situation be? You'd have to double or triple taxes?

Mr Canfield: If there were no subsidies at all, policing — as you know, we're going to pay \$90 per household this year and maybe next year. After that, nobody really knows. Again, a decision has been made. If we had to pay the actual costs, our taxes would probably more than double. Actually we just had a meeting this morning with contract policing and they said, "Throw that \$711 out the window; we've got a different formula now, a different way of approaching it."

The bottom line is it doesn't matter how you approach it and it doesn't matter how you look at it, it's going to be more expensive in the north. I've always been in favour of provincial averaging, because the provincial average for OPP policing is \$252. I believe it's where we should be headed, and not necessarily just policing. Social housing, I don't care what you pick up, is going to be more in the north.

Mr Len Wood: Eighty per cent or more of the land mass of Ontario is in northern Ontario. There are ways of equalizing. A bottle of liquor or a case of beer is the same price in Kenora as it is in any other place in the province. The transportation of new vehicles is equalized. If you pay \$700 in Kapuskasing or Barrie, you pay the same in Kenora. There are ways of equalizing it.

We know from some of the comments that were made during the last election that have continued since that the ultimate goal is to create regional government or county government in northern Ontario. It'll all be tied to the five

or six major cities, the closest ones. That's the ultimate goal, to eliminate 50% of the municipalities in Ontario. In the north it's a different model. Bill 12 is just the first step in that direction. You're saying you don't think that system will work?

Mr Canfield: That's not the system we're looking at. We're not interested in a county-style system, as I've stated here. In the short time I've been in politics I've never understood why you had to deliver services at two levels. That's why we're calling it a partial upper tier, a modified upper tier, however you want to put it, or an area services board. I'm going to give a model, and I might get shot in the back while I sit here, but in the Kenora district we blocked out as one avenue we've looked at four blocks or four megacities. The area's just too huge. It's not realistic. The people aren't ready for it.

Those four blocks, though, might be an area where, say, around Kenora, Kenora would supply the service; in the Dryden area, they would supply the service; in Red Lake, they would supply it; and in Sioux Lookout north, they would supply it. I wish I had the map here. That might be an avenue. The bottom line is we have no intention of setting up an area services board that's going to be loaded with bureaucracy. In the Kenora district, our intent is to have the area services board as minimal as possible, basically an administrator and an assistant, and everything else would be contracted to the existing municipalities.

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Mr Hardeman: Thank you very much for your presentation. First of all, I want to commend you on the presentation. Indeed, you are right in your opening part of the presentation that this isn't a document that was created by and at the wishes or the suggestion of the minister but in fact it was created based on the information that the minister and the ministry gathered from the people in the north who were going to be affected by this legislation. Save and except for obviously some technical things that would be in the legislation that may or may not require some changes to meet the total needs, I think it does very closely reflect what was presented to the government over the last quite a number of months — maybe we can even say years — to put this together. I commend you for coming forward and pointing that out, that this will indeed be good for government in northern Ontario.

You brought up a couple of items. One was to put something in the legislation to eliminate the DSSABs if in fact you choose to take the model of area services board. The legislation puts in place the process that as you come forward with your chosen option for an area services board, how that would be structured and how that would be set up would also include that you wanted to eliminate the social services board, that no municipality can have both in the same jurisdiction. The legislation would not necessarily require eliminating that, because the process of you putting forward your proposals would automatically eliminate the DSSAB. I just wanted to point that out.

The other one, I think you mentioned the issue of as time goes on, times change and services change and you may want to deliver more services through the area services board than the core programs. In fact I think the legislation deals with that, to say that the minister can, by regulation, add services that would be required. If in the future there were some changes made that there were more services going to be provided by local government than what were the core services for the board at that time, they could be added. It could be a local decision whether you wanted to add them to the delivery at your municipal level or whether you wanted to add them to the services board.

The last item in the presentation I think relates to some of the comments from Mr Wood about the cost of policing. To make sure that at least those of us gathered here understand, the community reinvestment fund, particularly as it relates to policing, was based on the fact that every municipality in the province would pay the first \$90 — that's in the north, it's in the south, it's in the east and it's in the west — per household on their municipal levy and then whatever the difference was between that and what the OPP was presently expending in that municipality would be picked up by the community reinvestment fund, and that is the end result. Presently, your municipality would not be paying more for policing than my municipality in southern Ontario, which incidentally, prior to these changes, was also policed by the OPP. We pick up the first \$90 and you pick up the first \$90 and the community reinvestment fund picks up the difference.

I just wanted to point out that the difference in the averages of policing is the difference in what the province is paying in the community reinvestment fund, not what the municipal taxpayers will be paying in their municipal levy.

Mr Canfield: If I could reply to that really quickly, I used policing as an example because it's kind of a stand-in-your-face example. The bottom line is that we do have the fear that subsidy could change or go up. In all fairness, a lot of communities have paid for policing in the province and some haven't. If we're going to be fair, the bottom line is that fair to me is \$252 if that subsidy disappears, not \$711 or \$650 or \$920 in another part of the province. The bottom line is that it has to be fair, and fair is \$252.

I made this argument in Toronto before. The fact is that this province contributes about \$15 billion more to federal revenues than we get back. We basically support the rest of the provinces in this country, or a lot of the poorer provinces in this country, and we have to do the same for our own people if we're going to do it for the rest of the country.

The Vice-Chair: Thank you very much.

NORTHWESTERN HEALTH UNIT

The Vice-Chair: I'd like to call on Pete Sarsfield, the medical officer of health for the Northwestern Health Unit. Good afternoon and welcome to the standing committee on general government. As you know, you have 20 minutes in which to make your presentation and you

may use all or part of that. If there is time we'll have questions then from the caucuses.

Dr Pete Sarsfield: Thank you very much. I was smart enough not to bring a watch so you'll have to gong me when you get near the end. I assume that you're able to do the gong.

The Vice-Chair: I will jump right in.

Dr Sarsfield: Yes, I had that feeling.

I'm the medical officer of health for the Northwestern Health Unit, as you know. I don't know if you're familiar with the professional jargon. That means I'm a physician who is a specialist in public health. I'm the doc involved with public health for northwestern Ontario from Ignace to the Manitoba border, just to set it up. There's also a public health unit in Thunder Bay which is involved with the other part of northwestern Ontario. The comments I'll make are mainly regarding the area I work with, Ignace to the Manitoba border. Ignace, Atikokan, Pickle Lake — it's a wavy line.

I don't have a handout. It will be verbal, so we can exchange faces.

Let me begin at the end and then set it up, if you like — not set you up; set it up.

I'm assuming from some of the things I've received from my colleagues that you have heard and will be hearing from public health in other parts. From what I've been reading, almost all are in opposition to the inclusion of public health in this. I think there are reasons for this, both local and practical, and also in history. Within the time limits, I would like to outline a few of those.

The conclusion I have, though, may be somewhat — and as was mentioned by Dave, the risk of getting shot in the back. My being shot would be more from afar I think, from the people I work with in public health, medical officers of health mostly — this is a generalization — who feel that when you put the mouse, which is public health, in any larger form, be it with hospitals, which is the elephant that public health has feared for decades, if not centuries, or other types of monoliths such as area services boards, you're going to lose in public health because public health is a cousin which is weak, the country cousin etc. I can use metaphors that will drive you nuts, but it ends up that it's a loss for public health. I'd like to go through the concerns.

If you're wondering why I'm starting at the end, it's that I have ambivalence in this. I have personal and professional ambivalence; I'm not sure I can separate the two. That is, all of my working life, the last 30 years as a doc, I have believed and continued to believe, in the face of some adversity, in local control. Local control, which I think area services boards have the potential to offer, is more responsive to the needs of the local people. That's the way I worked when I lived in Nova Scotia — I'm from the Maritimes. It's the way I've worked in Labrador, the Northwest Territories, northern Manitoba and now in northwestern Ontario. My ambivalence is I see the results of some of that going in opposition to the services which I'm involved with, which are public health. So that's the intro.

You can get 100 different things people mean by "public health" when they use the phrase. Let me first tell you what I mean by it. If you get 100 other people, you'll have 99 other ones. What I mean by public health is very straightforward. Those in the room with me who have worked here have heard this a few more times so you may see them reaching for their Gravol with several of these things, but you haven't heard it before so consider yourself blessed.

Public health: I made it very simple, at least in the outline. It would be a two-armed beast. The expense part in this area makes it a beast. One would be promotion of health, promotion of wellbeing. General things: housing, welfare, peace, the general conditions that make us happy, comfortable, secure when we wake up in the morning and when we go to bed at night.

Health promotion: linked to but very different from the prevention of illness, trying to stop heart attacks, cancers. Different; linked but different.

Public health services in Canada are involved with those two arms. In other words, public health is looking at the future with both of those. It's not immediate, it's not the treatment of illness. I was a family doc for about 15 years. I understand and have respect for the treatment of illness. I have a couple of kids. I hope if they get sick that somebody is there to treat them. I also hope that the society — us — has the wisdom, the vision, to prevent them getting sick in the first place, and that's what I'm here arguing for. That's what I'm concerned about.

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A little relevant history — this is nickel summary stuff. You're the ones who set up the timing, so that's your doing.

Public health in Canada — let's just leave it out of the western world for a minute. In Canada public health has been insistent on, and has also relied on, a separation from the rest of health care. That separation varies from province to province, from region to region. We haven't got time to go into it, but just take it as a given, please, that public health relies on being separate from care of illness, from the hospital up the hill, so to speak. Historically in Canada — the western world in general, but let's stick to Canada — when you put public health in with other, more acute services, public health — because public health is aiming at the future, it's prevention, it isn't sexy, it isn't immediate — loses.

A very relevant example, relevant to the funding, relative to the politics that we're discussing here now: In 1974, the federal government brought out a document entitled *New Perspectives on the Health of Canadians*. It's been extremely influential internationally, not so much in Canada, a classic thing in Canada: It's more acceptable outside the country than in. It was authored — at least the title on the page is Marc Lalonde. He didn't write a word of it, but civil servants did. It's another story.

In that, two key points. Summarizing this is tricky. Two points that I want to emphasize — let's put it that way — are, first, the health of us is not the result of the care of illness. It's something you need, but that's one of the key

things. They made the point in this very clearly. It was seen as revolutionary then that the biology of us — the chromosomes, how we're set up — the environment we live in, all those things I mentioned before — housing, food etc — our lifestyles — whether this is water or whisky etc — and health care influence health. In 1974 that was seen as being a bit of a revolutionary stretch, so he didn't emphasize what has been emphasized since, that health care is last and least in those four.

I do this stuff for a living, so this is me flogging other people. This is saying that if you want health of the public, you have to get at environment, at lifestyle, at biology as you can influence it, and at health care services. They weave; they interact. You need them all.

This book is only about 110 pages. It's very interesting. It gets quoted widely still in the States, where I'm in and out a bit. He lamented the fact that if you look at public health — and once again, public health is prevention of illness and promotion of health. If you look at those at that point, 1974, five cents on the buck, the health care dollar, was being spent on public health. So 95% on treatment, chronic or acute, mostly acute; five cents on public health. There's something wrong here, logically. It doesn't make common sense, to coin a phrase.

Cut ahead almost 25 years. In 1998 in Canada, and Ontario fits in with this average, we're down to about three cents on the health care dollar for prevention. I'm 54. I'm sweating this less than I'm sweating it for my daughters, who are 20. They're both 20; they're twins. I'm sweating it for them because the chances of doing the prevention of cancers, heart disease and things that are apt to kill them are less now, expenditure-wise, than they were when I was their age. We have a falling investment.

In northwestern Ontario we are spending — I can document this until your axles break — approximately 2%, and falling, of the health care dollar, health care expenditures, on public health. To give you numbers — and I can document these for now, cross my heart using my right hand — approximately \$325 million spent on health care in this region, Ignace to the Manitoba border, including the federal expenditures; about \$6 million, including federal, on public health, and that's falling.

I was, of the Medical Officer of Health crowd in Ontario, one of the only supporters of the handover — download, dump, whatever, the verb of your choice — to municipalities of public health, because I believe in local control. I think it's extremely important that in public health services I answer to Mayor Canfield, who is sitting in his seat, rather than some dude down in southwestern — the obvious.

However, the result has been, because the municipalities do not have the money — we are expensive, as he pointed out very plainly. We are expensive to run, not because we're inefficient, I might hasten to defensively add, but because of geography and small population and growing demands, both public pressures and illness-wise. So the municipalities have rallied to reduce our funding or say, "Please, province, take us back."

I'm awash in ambivalence about this. In terms of my job and the staff who report to me — we have about 100 staff, 13 offices and a \$5-million payroll; we're small — the best thing to happen to us in terms of ensuring our viability to keep doing what we're trying to do well, to promote the health and prevent illness in folks here, would be either a federal takeover of public health across the country, which is not my idea, it's being promoted across Canada, because public health is in retreat, or back to the province and say, "Province, it's just beyond municipal ability to fund this, at least in an equitable way, an evenly spread way." I am, cross my heart, linking this with the area services board. You'll see how I did that in the last comment.

Basically, to cut to the chase and to get rid of the history and stuff, I have personal respect, possibly support, for the idea of an area services board if — the key word in the sentence being "if" — it can somehow be written in that those things that are more vulnerable, such as the non-acute services leading to future returns, ie, not within the life of a government — no way public health provides returns within four to 20 years. It doesn't happen. If somebody wants to prevent a cancer of the breast in my daughters, they'd better start doing something now, really soon. If it could be shown to me that the municipalities were going to be supported in provision of public health services in the area, and then I — I and staff, it's the royal "I," it's "we" — have to present to the municipalities our promotion-of-health programs and prevention-of-disease programs in a way that makes sense to the municipalities, fine and dandy. That's the way it should be. If I, either because of malignant personality or because of inefficient programs or whatever, can't do that, then they and you and the communities need a new medical officer of health and staff etc. That has not been the case.

If, however, we can't do efficient programming because the municipalities haven't got the money to do it, simply do not have the funds, that is totally unfair to the people of the region. As I read — and I've read them — area services board proposals etc, that inequity is not going to be altered, except downhill, by area services boards. We now have one health unit from Ignace to the Manitoba border. As I hear it, that runs the risk of being fragmented further. The costs will go up. I do this stuff for a living. The costs will go up, trust me.

We are already fragmented from the federal service of public health. Public health services right now for first nations are being done primarily by medical services of the federal government. We do some, 5% to 10% of our work, that's all, a small amount. So we're talking further fragmentation. We're talking increase in costs. I don't see this as improvement. I read the title and the subtitle of the act. I don't see this as improvement, but perhaps I'm just becoming cynical.

What I would suggest is what was suggested in the presentation before: enhanced funding. In order for the municipalities to offer a level of service, at the moment, with our current services, it costs every municipality in the area \$64.36 a head. We are meeting right now approxi-

mately 80% of the mandatory programs. We're breaking the law every day. We're not providing mandatory programs. I have friends and colleagues both who do my job in southern Ontario and, quelle surprise, they are able to provide mandatory programs without charging their municipalities \$64.36.

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The municipalities who look me in the eye and say, "We can't afford you," have got a point. I have fought them tooth and nail on this, because if I don't do that, I'm not doing my job. I'm not protecting the health of the public and I'm not protecting the staff I work for. But I've got some sympathy. I hope they're not listening. I have sympathy for them in terms of the funding. If they, you, we want to provide mandatory programs, it's going to cost the municipalities in this area \$90 a head. That's strictly because of geography and the size of population. We have a very lean administrative outfit, very efficient.

If it can be shown to me and to the other MOHs you're going to be hearing from, other folks in public health, that area services boards will enhance either funding or somehow service, fine, I'm all for it philosophically, on a reflex. You're not in an area where there's a lot of duplication. If we don't do the service in Ignace, it don't get done, it's quite simple: Pickle Lake, somewhat Kenora, Dryden, Fort Frances, but definitely the smaller municipalities, the more needy ones.

I'm just actually watching the gong reflex. How many minutes have I got?

The Vice-Chair: You have four minutes.

Dr Sarsfield: Four? That's two questions.

Mr Len Wood: Thank you for your presentation. I found it very interesting. If I could just summarize without asking a question, you're saying that public health is going to go down the tube; that unless we find a better way of either getting it into the federal level, the provincial level, or under the unorganized areas and the municipalities controlling public health care, it's doomed.

Dr Sarsfield: It pains me to be fair to the Ontario government right now, but to be fair to Ontario, it's not only in Ontario that this is happening. It's happening across the country, in some areas more than others. Public health is in retreat. So what we're saying, those of us who have anybody we love, let alone our own selves, is that we have actually given up on prevention of illness and promotion of health. This is happening across the country. People are leaving public health. People with training and experience like mine and others are leaving in droves, big time.

Mr Hardeman: Thank you very much for your presentation. At the end of your presentation you suggested that if Bill 12 in fact enhances public health, you would support the principle. I guess I would just suggest to you, away from the fact as to who was the total funder of health — that's not the issue that's in Bill 12. I think it's an issue that could stand considerable debate.

Would you not suggest, on the basis of your organization, that it will be easier and more likely to be looking at public health for what it is if you deal with an area

services board with representatives from the whole area but one body that is responsible for the public health of the whole area, rather than going to whatever number of municipalities you presently have to deal with individually to get the funding for the public health? In that way, would you not see this as a benefit to the public health function in the district?

Dr Sarsfield: It's a partial yes. I'm with you, but it's a partial yes. Right now, we have 22 municipalities that we serve, so there is a lot of discussion, shall we say. It's mostly fun, but not always.

Here are the problems that are built in, so this is a good news/bad news thing. I see the time ticking; I'll talk fast.

Right now, we have a board of health whose primary interest is the health of the public. That's their interest. They're made up mostly of representatives from the municipalities, but when they walk into the meeting every month, it's public health. Area services boards will have multiple things. So this is the mouse-elephant thing that I was getting at before. All of a sudden you will be public health, which is non-acute by definition, in with other services which are acute, so you have the tyranny of the acute.

I can live with that. I personally think the answer to your question is probably a guarded yes.

If it is just a ploy, accidental or purposeful — it's not a shot, and I don't mean your question — if the whole thing is a ploy to simply reduce by the watering-down effect, then public health will be easier to not hear from when it's item 12 on an agenda.

Mr Miclash: Dr Sarsfield, you've certainly indicated to the committee the effects of what I call dumping, downloading, whatever you want to call it, in terms of the Northwestern Health Unit.

Mr Hardeman indicated earlier on about the consultation that went on before the drafting of the bill. Can you tell us about the consultation you might have had, you or your staff, with the government in terms of the drafting of this? Can you tell us about the consultation you or your staff might have had with the government in terms of the drafting of this bill?

Dr Sarsfield: It might be that I need to get out more, but I/we weren't asked. It could be that it went through the ministry, it could be that it went through ALPHA, the Association of Local Public Health Agencies, or the OMA, I don't know. We didn't. I've been scrambling to get up to speed on it so I could do this.

Mr Miclash: We have certainly watched that. I noted your frustration as well as the frustrations of the municipalities that you deal with in terms of that. I think a little consultation probably would have solved a lot of those problems that we've gone through over the past year.

Dr Sarsfield: It has been the worst working year of my life in terms of actually fighting with municipalities that I have a lot of respect and affection for. That's why I'm here. I'm not here because I couldn't get a job in Winnipeg. I'm here because I want to be here. But it's

been to a level of I'm very strongly considering leaving. This is no way to live a life.

Mr Miclash: Thank you. I think it's important the committee hear that.

The Vice-Chair: Thank you very much, Dr Sarsfield. We appreciate your coming before the committee.

KENORA DISTRICT SERVICES BOARD

The Vice-Chair: I'd like to call on the Kenora District Services Board, Sten Lif. Good afternoon and welcome to the standing committee.

Mr Sten Lif: Let me introduce myself to the committee members. My name is Sten Lif and I am the newly appointed chief administrative officer for the Kenora District Services Board. I would also like to introduce to the committee the chair of the Kenora District Services Board, Barbara Beernaerts, who is also the mayor of the township of Machin.

My presentation will be approximately five or six minutes long, after which I'm certainly prepared to answer any questions the committee may wish to ask. Copies of this presentation are available if you wish. I can have them given to you later.

First of all, on behalf of the Kenora District Services Board, I would like to take the opportunity to welcome you to Ontario's sunset country. The purpose of this brief is to encourage the provincial government to enact legislation as soon as possible to provide choice and flexibility to northern residents in the establishment of service delivery mechanisms through the establishment of area services boards. We welcome the opportunity to participate in these hearings and would make the following comments based on the contents of Bill 12, and some final thoughts on additional service requirements.

As the committee is no doubt aware, the Kenora District Municipal Association and the District of Kenora Unincorporated Ratepayers Association were the first to meet the challenge of the province of Ontario in early 1997 to prepare a proposal to establish an area services board which called for the consolidation of service delivery in northwestern Ontario. The proposal put forward by the Kenora district was presented to the province in May 1997, and it became the basis for much of the content of Bill 12 and its predecessor, Bill 174, in 1997. There is therefore much of the current bill that the Kenora District Services Board agrees with. There are areas of concern regarding the proposed legislation, however, and these include subsections 38(3), 41(2), 43(5) and 59(1).

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Subsection 38(3) authorizes the minister to amend an order at the request of the board or "in any other circumstances." The concern is that "in any other circumstances" is an extremely broad definition and the wording should be more precise and perhaps restrictive to circumstances that (1) were agreed to by the board and the minister or (2) where the minister deems it necessary in order to comply with another act or regulation.

Subsection 41(2), dealing with provision of additional services, should be a consensual process and not a mandatory one imposed by the minister. Only if a board wishes to provide one or more of these services should they be included in an order.

Subsection 43(5), which allows an order to provide that "a board shall not enter into an agreement for the performance of any functions related to taxation, as specified, by any person or entity," must be interpreted in a manner as not to be too restrictive. A board should be allowed to enter into an agreement regarding taxation functions, provided the integrity of the information is not compromised.

Subsection 59(1) regarding dissolution of boards where the minister deems it necessary to do so in the public interest should include specific regulations in which this drastic action would be necessary. While it is recognized that not every circumstance can be specified, nevertheless appropriate wording can be included that would provide a broad definition that can be interpreted by all concerned.

There does not appear to be any mechanism in Bill 12 — and this was referred to by a previous speaker — that would allow for a transfer of jurisdiction from a district social services administration board to an area services board. The Kenora District Services Board believes it is necessary to have that mechanism articulated in the bill.

A final comment would be to encourage the government to be very aware of the consequences of additional requirements to be imposed in a delivery of services now that these services will be transferred to area services boards once Bill 12 is proclaimed. By way of explanation, the government enacted several new requirements under recent amendments to the Health Protection and Promotion Act which will require extensive new financial commitments by the funding providers, those being the area taxpayers. This has created much debate and consternation between the current service provider and the municipalities, as each party attempted to comply and be fiscally responsible as the costs associated with meeting the requirements began to skyrocket.

The government must understand the ramifications of enacting new service requirements, and it should therefore consult extensively with those who will be required to foot the bill, prior to enacting such requirements. The province should provide assurances that adequate levels of funding will continue to flow to municipalities and/or area services boards. In addition, the province should be prepared to assist in the funding of any new legislated service requirements.

On a final note, the members of the Kenora District Services Board look forward to early passage of Bill 12 so we can get on with the job of ensuring that required services are delivered in a cost-effective and timely manner.

Thank you for the opportunity to make this short presentation. We can only encourage the government to get on with the enactment of the legislation and to ensure continuous adequate funding is in place.

The Vice-Chair: Thank you very much. Questions from the government caucus.

Mr Froese: Not really questions, but actually you're part of the group that was consulted. Actually, the area services board, this bill, was brought forward because of your request. We've heard from a lot of different presenters that if you introduce this model, and you alluded to it, some of the costs may or may not go up. In your opinion, will costs dramatically go up? Do you find that there will be savings as a result of providing, or do you feel that in this area there could be savings provided by amalgamating some of the delivery services that are done now?

Mr Lif: This was much of a debate that took place when we began the process way back in February 1997. I think the Kenora district came to the conclusion that for us to be able to survive and pay the bills we had to have full control, and that we could realize some savings by amalgamating some boards and some service agencies etc. That obviously hasn't been worked out in any great detail at this point. That's basically what my function is going to be now that I've been newly appointed. But I do believe that can happen.

Mr Froese: By having less cost you feel they could provide the best service possible as well, to the benefit of the taxpayers?

Mr Lif: I believe the service that will be provided certainly won't be any less than what it is now, and all things being equal, I think the service can be enhanced. It's going to take a lot of work, but that's a possibility.

Mr Miclash: Thank you very much, Sten, for your presentation. I just want to bring to the attention of the committee that you probably drove three hours to get here. It's a distance factor that many of the presenters would have faced today.

Sten, you bring forth a number of problems with four particular sections of the bill and I'm certainly looking forward to looking at those and at possible amendments when we get into our clause-by-clause on the bill. I think something you indicated as well is that with the new service requirements that are passed on from the provincial government, the funding must accompany that. That's certainly something we've been hearing a good number of times as we've actually gotten into this bill and from some of the presenters this morning, and we've heard it here already today as well, that a lot of times a lot of things are downloaded without adequate funding and you've certainly made a good argument in that area.

The dollars to assist with new legislative requirements is something I think every government must face. If they're going to make the requirements, they're certainly going to have to flow the funds to assist in those areas.

A couple of comments and, as I say, I look forward to reviewing those four sections you mentioned. I think Michael has a question for you.

Mr Gravelle: Mr Lif, I have some concerns about some of the sections as well and I appreciate your obviously going through it and looking at it. In terms of subsection 38(3), I guess my concern is — I'd like to hear

yours — that it seems to me that it might, the way it's written now, set up a situation where you go through the process, you basically have got it in place, and the potential exists for the minister to say, "Gee, we'd rather have you include this location." Is that a reflection of what your concern would be and how would you fix it? What would be the way you'd do it so that wouldn't be in place? Perhaps some would think that's an inappropriate power for the minister to have, but I know that's a concern I saw as well.

Mr Lif: Yes, I agree with you. Actually, I think the way to fix it is for the minister to consult with the board before any such move is ever made. The board has to agree that that's a service they want to provide before the minister will change an order to include a service that's not there.

Mr Len Wood: Thank you for your presentation. You're saying that in 1997 you worked with the government to come up with Bill 174. A lot of what was in Bill 174 carried over into Bill 12, and I'm sure that's a result of the downloading and dumping that was taking place and talking about megacity and one thing and another, and Kenora district decided they wanted to get out ahead of that and make some of their own decisions.

In general you're saying that Bill 12 is workable, but do you have any commitment that the government is going to make the amendments you say are required in sections 38, 41 and 59 so you're not left with where the minister can say that under any circumstances he can make changes to certain sections of the act, without any commitment the extra dollars are going to flow? We know, and maybe you have figures we should be aware of, that unorganized areas, for example, that are paying low taxes now are going to have to pay increased taxes; how much, we don't know.

Mr Lif: To be fair to the government, this is the first opportunity we've had to present these questions, if you will, on these four sections, so whether they are committed to doing something about it I guess will be seen.

In terms of the taxation dollars, certainly the unincorporated areas, which are a huge part of this Kenora District Services Board by the way — we shouldn't forget that — sat at the table. They're aware of the situation. They want to be involved because they understand that it's going to cost them more. So they want to be at the table to do it and they will have four representatives on the board.

Mr Len Wood: Four. And how many representatives altogether?

Mr Lif: There is a total of 15.

Mr Len Wood: There are 15 and they will have four on there.

The Vice-Chair: Thank you very much, Mr Lif. We appreciate your coming forward today.

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OXDRIFT RESTRUCTURING COMMITTEE

The Vice-Chair: I'd like to call on the Oxdrift Restructuring Committee, Robert Wall. Good afternoon, Mr Wall, and welcome to the standing committee.

Mr Robert Wall: My name is Robert Wall and I'm the chairman of the Oxdrift Restructuring Committee in the unincorporated townships and I would like to make some comments on Bill 12.

The unincorporated communities of the north are struggling to find solutions to the shifting of services once provided by the provincial government to our local communities. Municipal structure in its present form is too complex and expensive for our sparsely populated areas. The administrative structure of municipal government is too costly and would become a burden to our taxpayers.

Our preferred solution is a local services board. Local services boards could adequately manage the services required in an area at a much reduced administrative cost. The residents of our local communities are aware of the local needs and with the powers of a local services board could respond more quickly and efficiently to these needs. A local services board could bring unity to a local area and give it a focus. This is very important to the survival of our rural districts.

I believe the local services board concept is much better at handling local issues than an area services board, because each of our areas has its own unique features. As an example, within the Kenora area itself we have areas with large numbers of transient, non-permanent residents while other areas are agriculturally based.

A local services board with its present powers and with the proposed additional powers of roads and land use planning would make it possible for our local people to take charge of local issues, provide representative government and better serve the local residents. Local services boards would assume the same taxing powers that local roads boards have at present.

To close, I therefore urge the provincial government to set in place the necessary legislation to enable unincorporated areas to form local services boards with the additional powers to control roads and land use planning.

The Vice-Chair: Thank you very much. We have time for questions and we'll begin with Mr Miclash.

Mr Miclash: Mr Wall, welcome to the committee and thank you for joining us this afternoon.

You talk about some unique features of your areas and how a preferred solution would be a local services board. Maybe you could elaborate to the committee just a little bit more about the size, number of people and location and some of the uniqueness you're referring to in terms of when you talk about this area of the province.

Mr Wall: The difference from one area of the Kenora district to the other is the big thing and we have vast areas in between the settled areas. Particularly for road and fire protection it could be handled much better by the people who live right in each particular area.

Mr Miclash: So I guess what you're saying is that the local solutions are best for the folks you're going to service in those small pockets of population?

Mr Wall: That's the intent, yes.

Mr Miclash: I guess that's what I'm getting at when I ask for size and number of people. Again, I go back to your area of northwestern Ontario. You're talking about a fairly rural district and a very, very small population, where you have the local volunteer fire department and people mainly helping each other, more so than you'd find in other communities. I just wanted to point that out to the committee as being one of the unique features you would face in your region.

Mr Len Wood: Thank you for your presentation. Is the area that you're representing now on the restructuring committee going to be part of the area services board, the Kenora district you're talking about right now?

Mr Wall: Yes. We have representation on the district board.

Mr Len Wood: So when it comes to the taxation system they're going to end up with to deliver those services, you feel you'll be able to get the dollars that you need?

Mr Wall: I believe the core services, the services the province has been providing, can be handled on an area services situation very well. But I feel that roads and fire protection and probably land use would be much better handled by the local people where the service is being rendered.

Mr Len Wood: I know on a lot of roads boards and local services boards everything is done on a volunteer basis. If you want the dump pushed back, somebody jumps on the tractor and does it. If you want the road plowed or graded, somebody gets it done. There's no cost or duplication, no saving by eliminating a certain roads board or whatever. There is no saving by getting rid of that.

Mr Wall: We did think that possibly if the roads boards were put into a local services board and became part of a local services board, all the roads boards would become one in a given area. For example, I'm from Oxdrift and the area we'd be talking about would be the Oxdrift area, 10 or a dozen townships, which would take the place of 10 or a dozen roads boards.

Mr Len Wood: Maybe you don't have the answer, but how many other areas are in the same situation you are? Agriculture and rural and isolated from any other communities?

Mr Wall: Actually, the area around Ignace is one area and the area around Dryden is more of the area where I come from. Then you'd have to go again to get to an area around Kenora and up to Sioux Lookout or Red Lake, but they're all divided. These areas are all divided by distances, where there's basically no population at all.

Mr Len Wood: Do you know or has anybody told you what increases in taxes you would expect to see as a result of the changes that are taking place in Bill 12?

Mr Wall: We really haven't any idea what might happen with our taxes yet.

Mr Len Wood: You don't know how much you'll have to pay for policing and land ambulances and all the services that are being downloaded?

Mr Wall: No, we've got no figures.

Mr Len Wood: Nobody's come up with any figures?

Mr Wall: Nobody's come up with any figures. We've been after them for two years and we haven't got them yet.

Mr Len Wood: It's kind of interesting, because the government is —

Mr Wall: Particularly the policing. We don't know what land ambulance is going to cost either, but for policing we've heard so many figures that we just don't know what we're going to get.

Mr Len Wood: It's kind of interesting that you don't have those figures because we've been told for the last year and a half that there's been public consultation, that the government has had the parliamentary assistant and different people up and they've talked to all the people in these areas when they were getting ready for Bill 12, but you haven't heard about it.

1610

Mr Hardeman: Thank you very much, Mr Wall, for your presentation. Just to clarify what Mr Wood has been talking about and what the cost of these services presently are in the area that you're speaking for, I presume from your presentation that in fact you're talking about an unorganized area?

Mr Wall: Yes.

Mr Hardeman: The province is paying for policing and the province is paying these costs at the present time. That hasn't been a transfer at this time.

Mr Len Wood: You should continue.

Mr Hardeman: I'm not suggesting, Mr Wood, that it should or shouldn't. I'm just suggesting that the costs of those services have not been set over to the unorganized and there isn't presently a structure to deal with those issues. Again, this is not a negative comment to the unorganized, this is just to make sure that we all understand that we're talking with the people who are speaking for organized municipalities. It's a realignment of services and for a lot of services which were jointly funded and delivered in the unorganized that's not the case. They're provincially funded.

I find it an interesting analogy that you put in your presentation. You make very strong representation that you believe in the quality and the effectiveness of local services boards to provide local services. Would it not also hold true, then, that the area services boards, on the same premise as local services boards, provide those services that cannot be provided at the very local level such as the long-term care, the public housing, the land ambulance that you spoke of, the policing services that cannot be done at the local level, and there should be the ability to set up area services boards that could operate as efficiently and effectively as your local services board for a more regionalized service? Does that not correlate to be the same thing?

Mr Wall: Yes. Part of my thinking is that those services you mentioned should be handled by an area services board, I believe that, such as policing and homes for the aged etc. But I feel the local situations like roads and fire departments should be handled by the local people.

Mr Hardeman: To make sure that we all understand, the model that's suggested in Bill 12 for area services boards deals with and recognizes the ability not only to maintain the present local services boards but to create new ones to deal with those local services so we would not require another municipal government in there to deal with the local services. If the area decided to put in an area services board, from that analysis, then, you'd be quite comfortable with the fact that those regional services that you talked about should be delivered by an area services board?

Mr Wall: Yes, that's right.

Mr Hardeman: And you would support putting one of those in place to deal with that so you could maintain your local services in a local manner?

Mr Wall: Yes.

Mr Hardeman: Thank you very much for your comments.

The Vice-Chair: Thank you very much for coming here today. We appreciate your comments.

KENORA DISTRICT MUNICIPAL ASSOCIATION

The Vice-Chair: I'd like to call on the Kenora District Municipal Association. Roger Valley is the president. Good afternoon and welcome to the standing committee.

Mr Roger Valley: Thank you very much. I'm Roger Valley, the mayor of Dryden. I'm also the president of the KDMA, the Kenora District Municipal Association. I have with me John Callan, the CAO for Dryden, who has helped with this presentation.

Before I start the formal presentation, I'd just like to make a few comments. We've got so many organizations around here I have trouble with some of them. The Kenora District Services Board — I sit on the transition team — became aware of the fact that this committee might not come to Kenora. It fell to me to phone and try and get you to come here because we were a large part of Bill 174 and are a large part of Bill 12 now. We're very happy that you're here because we feel we have a lot of ownership here and we needed you to be here to hear us. With that, I'll start the presentation.

As president of the Kenora District Municipal Association, I am pleased to extend greetings on behalf of the citizens of this great part of Ontario. I'm particularly pleased the committee chose to travel to Kenora, for it all too often seems we are a forgotten part of Ontario.

Let me assure the committee from the outset, the Kenora District Municipal Association is supportive of the intent of Bill 12. You may know that it was this association which was very quick off the starting block in identifying the need for this legislation, in developing a

proposal for consideration by ministers Leach and Hodgson, and I am informed that Bill 12 was largely patterned after the document developed by our association. We take some measure of pride in that. However, as with most pieces of legislation, we see some flaws. Items that were not included in our proposal are included and we find some of these disturbing.

This then is our submission to you. It is offered by way of constructive criticism, and I hope the committee will take my comments as such and will, as a result, recommend changes to the bill which will improve it. It falls to me to point out a lot of the little technical glitches that we have come up with. We want this to be perfect. We realize it won't be, but we're hoping we can get as close as possible.

Section 4 provides that a local services board may be given responsibility for roads within the board's area. First a comment about local services boards: We believe a moratorium should be placed on creating any new LSBs. LSBs are not the answer compared with local government, and the creation of new or the continuation of existing LSBs and expanding their service responsibilities only serves to stand in the way of restructured local government.

There is one positive aspect of giving LSBs authority over roads. There will be a resulting collapse of duplication in administration of local roads boards. The committee is reminded to consider that the more local services handed to LSBs the less is the incentive to join in a partnership with neighbouring municipalities to form larger, more efficient municipal organizations. This comment also applies to inclusion of fire services being handed to LSBs.

Subsection 37(3) provides for a three-year limit on proposals. There should be no moratorium placed on submission of proposals. At the very least, there should be provision for amended proposals in order that boundaries could change at the initiative of an ASB or that amalgamations with neighbouring ASBs could take place in whole or in part.

Clause 38(1)(e) provides for the designation by the minister of additional services that the board shall provide. There needs to be provision such that this is not done unilaterally but in consultation with and with the agreement of the ASBs. Some of this you have heard before, but we feel it's important to repeat it.

Clause 38(6)(b) makes reference to "ministry." The word "ministry" needs to be defined.

Clause 38(1)(g) provides for service delivery agencies and the dissolution of a service delivery agency, except a municipality. "Service delivery agency" is not defined in Bill 12. Are we to assume, for example, that the term includes non-profit housing corporations?

Subsection 40(8) provides for the public having access to the minutes of any meeting held by distance communication and not having been practical to conduct an open meeting. The public/media should not be excluded from any open meetings as they miss the significance of

any debate on an issue, and this aspect of any meeting is not adequately reflected in any minutes.

Paragraph 41(1)3 provides for public health being a core service of ASBs. So far in the process, the Ministry of Health has shown a great reluctance to hand the reins of public health over to the KDSB. Who will have the final say in this?

Paragraph 41(1)6 provides for homes for the aged being a core service of ASBs. We believe that homes for the aged are included in Bill 12 by default. At one time our association believed that homes for the aged were to be part of the transfer of services under Who Does What. We included this in our original proposal. We believe, as a result, responsibility for homes for the aged was included in this draft legislation.

Subsection 41(2) provides for the additional services becoming the responsibility of ASBs by order. This section is too broad in scope. Some ASBs may want responsibility for some or all of these services, but they should only be passed on to the LSBs with their express approval. We are concerned these services will be taken away from municipalities which may not wish to relinquish authority for providing that service. There needs to be reference in the legislation to allow for municipal agreement on this.

Subsection 41(8) provides for police services to be the responsibility of the ASBs, an optional service. Clause (b) provides that subsection 4(1) of the Police Services Act does not apply to any municipality in the board area. This means that an individual municipality cannot provide its own police service. We need to maintain flexibility around police services. For example, the ASB should be in a position to provide police service in the whole area, except where a municipal police service exists. The local municipality with a police service needs to determine for itself how it will deliver the service. The option to contract with the ASBs needs to be included.

1620

Subsection 43(5) provides that an order may provide that an ASB shall not enter into an agreement for the performance of any functions related to taxation. We need to maintain flexibility in this area or we will see a renewed duplication of systems already in place. ASBs must have the options available to them, not simply be dictated to.

Subsection 44(1) provides that the apportionment formula will be established by the Lieutenant Governor in Council. Some services are shared on weighted assessments; others, like public health, are shared on a per capita basis. The ASBs need to determine for themselves the most appropriate funding formula in their jurisdictions.

Subsection 44(3) provides that the Minister of Finance shall levy and collect the amounts required for the board's purposes from the unincorporated areas through the provincial land tax, the PLT. The matter of assessment and taxation is a local issue. Ratepayers in unincorporated areas, billed by the province through provincial land tax, will not come to accept that services are provided locally. The area services board will not be as accountable to its

constituents when tax bills are issued out of Toronto. At the very least, the legislation should provide an option whereby the ASBs can determine the most appropriate method to collect these taxes, and one of these options should be to have the authority to bill the taxes directly.

Subsections 48(1), 53(7) and 55(1) set out the payment schedule for municipalities and area services boards to pay their portion of the levy to the ASB and the ASB levy to local services boards. There are four payment dates. This payment schedule is too lengthy. There should be two payment dates, ie, March 31 and September 30. To leave the last payment date to December 15 in any year is far beyond that which we consider reasonable.

Subsections 48(3), 53(9) and 55(3) provide for an early payment discount should a municipality remit their required instalment early to the ASB and for the ASB remitting early to local services boards. There should be no provision to allow early payment discounts. This further disadvantages those municipalities that are not in a position to take advantage of these discounts, as their levy and the levy for all municipalities will be increased to provide for these incentives. Someone has to pay for it.

Subsection 48(5) provides for an agreement by the majority of municipalities to determine the number of instalments and their amounts and due dates. This provision is not reasonable and the determination should not be left in the hands of individual municipalities. They may well choose to adopt a schedule that would make it very difficult and expensive for the ASB to operate. The ASBs have been formed to make decisions and this decision should be left to that authority.

Section 49 provides for the levy and collection of taxes in unorganized territory, requisition by province and boards among others. This section appears to be in conflict with other sections identified earlier whereby the province will collect and remit under the PLT.

Subsection 55(1) sets out the payment schedule for ASBs to pay the levy to the LSBs. There are four payment dates. Again, it's too lengthy. It should have the March 31 and September 30 dates. To leave it too late in the year is not reasonable.

Subsection 55(3) provides for early payment discounts by ASBs paying their instalments to LSBs. Again, there should be no provision to allow early payment discounts. This does not appear reasonable. When there is only one ASB and that ASB could receive an early payment discount, the LSB will have to increase their levy to pay the discount to the ASB. It doesn't make sense.

That's the end of my formal submission, and I would just like to point out a couple of things to the committee that have been pointed out previously or I have noticed when we have been working on this proposal. When it was decided these kinds of actions were going to be taken in Ontario, this part of the province came forward very quickly and said, "We are going to do this, and how are we going to do it?" That's where a lot of this stuff in Bill 174 came from.

What I have seen personally is the tremendous co-operation from totally different areas, from the unorgan-

ized and from the organized municipalities. It has actually been great working with them. To take two such totally different entities and tell them, "You have to work together and you have to design something to work together," has been very difficult. I have only pointed out a few minor things that we see, with the help of the people who worked with us, how we can make it better. The co-operation of the people living in this part of the province has been tremendous. I thank you for the opportunity to speak to the committee.

The Vice-Chair: Thank you very much. We have time for questions, about three minutes for each caucus.

Mr Len Wood: Thank you for your excellent presentation. These are the types of comments that we like to hear when we are preparing amendments to legislation, and hopefully the government will formulate some of these ideas into amendments and come forward with them.

I know when we got our final briefing on Bill 174 last fall, when it died on the order paper and we weren't sure whether it was going to come forward or not, they were saying yes, they were going to make some changes to it, but it was going to become law by the end of June this year. That hasn't happened, but from all the work you people have put into it, it looks like you are really looking forward to Bill 12 becoming law, probably by the end of October, with some amendments to make it workable. If the amendments are not accepted, do you feel it will give you a hard time over the next few years?

Mr Valley: The municipal governments right now in this part of the province and many parts of the province have difficulties through assessments, through the downloading. We'd like to be as perfect as we can and we'll work with whatever we get, but these are a few minor changes we would like to see that would help us proceed with our life. Again, it has been something we've had to take on, we've had to try and design. We know we can't get it perfect ourselves, but we're trying to work on it. We'll have to work with what we receive.

Mr Len Wood: You're not alone. The municipalities in my area are just starting to get together now to figure out whether they have to do a 5%, 7% or 10% increase in property taxes as a result of all the downloading. I think there's only one municipality that doesn't have to increase its taxes as a result of the downloading that has taken place. We're late in the year and the tax bills haven't gone out yet.

Mr Hardeman: Thank you, gentlemen, for your presentation. I would start off by saying, as you started off saying, that it's no accident that Bill 12 looks an awful lot like your proposal, which came forward from your area, in suggesting how we would deal with this issue of delivering more regionalized services in areas where we don't have local government in those regionalized areas. I would point out that it is intended to be a document that tries to implement what local government in northern Ontario has told us needed to be done.

I appreciate the comments you've made on some of the things you see are problematic that were not in your proposal. We will surely consider those for amendments

or changes. Again, I would caution that some of it may be in interpretation.

One example would be where you spoke on subsection 40(8) about the open meetings, and your suggestion that all meetings should be open. I think the government would totally agree with you that all municipal meetings should be open. Minutes do not necessarily reflect the total discussion that took place at the meeting. But as you put into the legislation the provision that allows the technology to be used for teleconferencing, it becomes very difficult to have the public in on the teleconference. So if you are going to have legislation that allows that to be a council meeting or a board meeting, you have eliminated the ability of the public to be involved in that meeting. So legislatively you have to allow that to happen, and that's what that clause is meant to do, not to exclude the public from public meetings.

I think there are other areas, related to police services, where the area services board can be delegated the responsibility for policing. If we look in the Police Services Act all over the province, where police services are delegated to another body — in southern Ontario, of course, it's the upper-tier municipality — but where the region or the county is delegated the authority to do policing, the Police Services Act takes out the designation of the lower-tier municipalities to be responsible for policing, because the Police Services Act says municipalities that are named must provide effective and efficient policing. So if you leave that in and the area services board is given the delegation for policing, then all of a sudden we would have one body providing policing and the other body being responsible for it.

Again, it's an area where we may have a different interpretation of it. But we will go through your presentation and make sure that all those items are considered and appropriate action is taken.

Mr Miclash: Roger and John, thank you for your presentation. Reeve Brown of Atikokan had a few problems with the special circumstances fund and he explained those problems to us this morning, where he has suggested that they were going to have an actual cost overrun of \$121,000 to their municipalities in terms of the extra costs being put down to them by the province. Roger, I'm just wondering, in your municipality what did you come up with in terms of the figures, and have you had access to the funds as the government has suggested it would provide?

1630

Mr Valley: That's an area of ongoing discussion. John, do you have the exact figure of the shortfall?

Mr John Callan: It was around \$360,000, give or take \$10,000.

Mr Valley: It has been a challenge to try to deal with that in the CRF. We haven't been successful to this point and we're still dealing with that number.

Mr Miclash: I guess you're looking for the government to carry forth on its commitment to make it revenue-neutral.

Mr Valley: That's the point we keep trying to make. They're trying to work with us. We haven't achieved it yet, but given everything to work, it's supposed to work out that way.

Mr Miclash: If I go back to a document called A Voice for the North — that was the present Premier's election platform for 1995 — he indicated that local governments must be made more cost-efficient in order to reduce the burden on local taxpayers. I'm just wondering if you believe that the downloading that has been imposed upon your taxpayers has actually reduced the burden on them as local taxpayers.

Mr Valley: No, I don't. This is my seventh year on council — two terms as a councillor, first term as mayor. What I saw was that we were rapidly getting so we weren't receiving any money from the province. The restrictions put on us by the province were — they weren't going to have a lot to say about us. The downloading of services has brought us back to the table for the CRF. That's the way it is right now. I don't like to be asking for any money or having to be dictated to, but that's the way it is right now. The fact is we're going to be looking to the province for money for the next two years that it has committed, and after that there's a gaping hole right now, and no one can tell us, naturally, because of the term of government.

Mr Miclash: Exactly. We've certainly heard that before.

In wrapping up, I would just like to thank you for your very detailed description of the problems you see in terms of something I know both of you have been involved in right from day one. I thank you for those as well.

The Vice-Chair: Thank you very much. We appreciate you bringing forward your ideas here today.

I'd like to call upon the Dryden Area Mobile Home Association, Lauretta Wesley. Is there a representative from the Dryden Area Mobile Home Association?

MUNICIPALITY OF RED LAKE

The Vice-Chair: I know the municipality of Red Lake is here, so we'll ask the mayor, Duncan Wilson, to step into the time slot, if that's possible. Good afternoon and welcome to the standing committee. For the purposes of Hansard, I'd ask that you both introduce yourselves.

Mr Duncan Wilson: My name is Duncan Wilson. I'm the mayor of the new municipality of Red Lake. We're going to double-team today.

Mr Brian Larson: I'm Brian Larson, a town councillor for the municipality of Red Lake.

Mr Wilson: As introduced, I am Duncan Wilson, the mayor of the newly amalgamated municipality of Red Lake that became effective July 1, 1998. The council of the new municipality was elected on June 15. The municipality includes the former townships of Golden and Red Lake, the local services board of Madsen and annexed territory including the Flat Lake and Starratt-Olsen settlements. You will appreciate that the new council and administration is very busy, and we have had

little time to absorb Bill 12, the fax transmittal appearing on my desk yesterday. I am moved to complain that the advance notice of this hearing was very short, and shortened further by one day last week. Councillor Larson and I were able to adjust our schedule with some difficulty, as we believe the area services board to be essential, and we did not wish to wear the tag "default" introduced to our situation by Aime Dimatteo at the February KDMA meeting in Dryden, when the area services board bill died, even though we were dressed up and ready to play. I would ask that the government of Ontario provide adequate notice to allow us scheduling and preparation.

Our ranks of the well-informed on the ASB process have been decimated by two elections seven months apart and one amalgamation, but Councillor Larson and I will do our best to reframe the Red Lake view.

The municipalities of the Kenora District Municipal Association unanimously agreed to vigorously pursue a modified upper-tier form of government at the February 1997 annual meeting in Sioux Lookout. The combination of downloading of social services and reduction of grants to the municipalities, with the threat of eliminating grants altogether, was the motivation towards this co-operative move. The proposed modified upper-tier corporation would have the power of taxation in the unorganized territories, and we would in part be masters of our own destiny, in line with government-sponsored ideology, that we are good managers who live up here and know and can deal with our needs.

The KDMA, together with DOKURA, the District of Kenora Unorganized Ratepayers Association, diligently pursued the formation of an ASB parallel to the government's perception of a DSSAB, as that would likely be approved. Items included voting power for larger municipalities, temporary funding, and votes for the unorganized were pursued to consensus. The proposal for the Kenora District Area Services Board was finalized by the end of the year.

When the ASB legislation died on the order paper in January 1998, the transition committee moved directly to make the adjustments for the DSSAB, the Kenora District Services Board. The committee is active towards being the service delivery agent for (1) child care; (2) Ontario Works; (3) public health; (4) social housing; and (5) land ambulance.

(1) Child care: Funding will be by the province and leaves little room for comment here.

(2) Ontario Works: The townships of Golden and Red Lake, managed by the township of Red Lake, have managed to provide the Ontario Works services after struggling through changes in direction.

(3) Public health: We have had an interesting time, well covered by the media, with the Northwestern Health Unit since the first of this year. Notwithstanding our anomaly, the Health Protection and Promotion Act demands a higher and more rigid level of service than that provided when the province paid, with increases in staff and cost increases in the order of 15%. One can think that

this is a way of providing jobs cut from elsewhere in the Ministry of Health.

(4) Social housing: This is an area where municipalities may be able to draw on experience for effective performance. Apparently the plan is such that administration will be elsewhere and we send money.

(5) Land ambulance: This is another area where the Ministry of Health is regulating at high speed, and the municipalities will send money.

To sum up this litany of complaint, there is merely a shadow, if any, of our initial protestation to be masters of our own destiny, which would have jibed with assertions that the municipalities would be good at managing services because of our nearness to the citizens. A cursory glance at Bill 12, section 44(3), indicates that the Minister of Finance shall "levy and collect the amounts required" from the unorganized territory and remit to the board. Ability to tax was a primary aim in the KDMA proposal.

I will now pass the baton to Councillor Larson, who can present point-by-point comparisons.

1640

Mr Larson: Thank you, Mayor Wilson, for your comments. My name is Brian Larson and I'm a municipal councillor with the new municipality of Red Lake.

We have serious concerns for our municipal taxpayers regarding the downloading of services from the provincial government to the municipalities. Our citizens already face tremendous pressure with existing demands on their property taxes. Your government's desire to reduce the number of municipalities adversely affects our area.

We genuinely believe that the modified upper-tier form of government would have been more satisfactory for our district. Unfortunately, the provincial government did not share our opinion. Instead we are faced with a DSSAB which in many ways does not meet our needs and requirements. This vehicle for social service delivery is not of our design. Although we have reservations and concerns, we are being forced to make it work.

I'll do a point-form comparison.

Bill 12 applies to more than the KDMA; the KDMA only applies to KDMA.

Purpose: the consolidation of service delivery; the upper-tier proposal is district-wide services.

Bill 12 establishes an area services board; KDMA proposes to establish an upper-tier municipality.

Bill 12, powers to be exercised by a board; with the KDMA, its powers to be exercised by a district council.

Bill 12, the board is not a municipal corporation; KDMA, the district council is a body corporate.

Bill 12, board members are appointed by council; KDMA, district council members are appointed by council.

Voting: there is no mention in the act; with the KDMA the voting is one per municipality, plus weighting for Kenora, Dryden, Oxdrift, Lake of the Woods North and Lake of the Woods South.

The chair is elected from members; again, it's identical to the KDMA.

Bill 12, meetings may be conducted by telephone; there is no mention in the KDMA proposal.

Core services under Bill 12: child care, Ontario Works, public health, social services, land ambulance, homes for the aged. Core services under the modified upper tier: assessment, public health, homes for the aged, social housing, land ambulance.

Additional services under Bill 12: economic development, airport, land use planning, administrative functions for the Provincial Offences Act, waste management, policing, emergency preparedness, roads and bridges and any other service designated by the minister. Under the KDMA additional services are policing and land use planning.

Under Bill 12, the board has the powers of a natural person; no mention in the KDMA.

Taxation of real property is identical.

Two models for taxation: (a) requisition for each municipality in the amount required, and the Minister of Finance levies and collects for the unorganized. Under the KDMA, one model for taxation — requisition for each municipality and direct taxation from the unorganized.

(b) Under Bill 12: The board to determine the tax ratios and the municipalities to collect the amounts required, the board to levy and collect amounts in the unorganized, and the province and the LSB requisition the board for the amounts required to fund the services they provide. So basically we're coming hat in hand to the government. The amount to be paid and the percentage to be paid, again no mention in the KDMA proposal.

Under Bill 12 the fiscal year is 12 months, beginning January 1; under KDMA there is no mention.

Bill 12, the minister may dissolve the board and assume its power, or name in place of a board any person to exercise the powers and perform duties of the board and dissolve a board and its area. There's no mention of that in the KDMA proposal.

In closing, I have to say that Bill 12 as proposed is more significant and encompasses a greater range of services than we have proposed under the modified upper-tier proposal. The differences, we feel, are quite substantial, especially in the area of section 59, "Dissolution of the board."

I'd like to thank you for coming to the Kenora district to hear the views of local politicians on this very important piece of legislation.

The Vice-Chair: We'll go to Mr Hardeman for questions.

Mr Hardeman: Thank you, Mr Mayor and Councillor Larson, for your well-thought-out and well-prepared presentation, particularly in the shortness of time.

We've heard a number of presentations on the issue of the levying of taxes in the unorganized areas. The concern is that the bill says the levying of taxes in the unorganized municipalities will be done by the Minister of Finance and he will then forward that money to the area services boards. That is in the first option. When you go to the second option, it is direct taxation for area services boards. So they will have the ability to do that. I just want

to point out, at least from the government's perspective, in preparing the bill we felt it was necessary that as municipalities choose to set up the area services board, the ability to get the tax bills out — and we have known what delays in taxing can do this year. There needed to be something to be able to carry on with the present structure so the minister could levy those taxes until the area services board was in the position to requisition those taxes directly from the taxpayers.

The other area that you expressed some concern about was the area of the minister's ability to remove the board and to appoint someone else to take over the board. I would just point out to you that that's the structure that's presently available in the Municipal Act to deal with municipalities when they can no longer operate under the reasons or the platform they were elected on, such as a five-member council where three of them resign. They no longer can function because they no longer have a quorum. The minister at a certain point in time can then declare that council unelected and appoint someone to run that municipality until a new election can be held. I think that's the same requirement that's in the act to deal with the board, that if for some reason it cannot fulfil its responsibilities, the minister or someone needs to be able to take over because the service needs to be able to be provided.

We would be prepared to hear suggestions of how that could be addressed if not that way, how you could address the fact that there is some backstop to make sure the function continues to operate even though there are some problems with the structure of the boards.

In your presentation you do a very good job of analyzing what is in Bill 12 and what was in your previous proposal for a modified upper tier. Not going over them all, do you see significant problems with the difference in the two functions, that this area services board is not getting enough responsibility or is getting too much responsibility compared to what your modified upper-tier proposal was proposing? Or do you see a reasonable resemblance of similarities there?

Mr Wilson: A good part of this is getting used to the idea. I guess one of the thoughts is waiting for the money. We've been waiting for money through this year and it's been quite a juggling act for our administration while waiting on the tax rolls. We have to analyze the tax rolls. I guess you might say this has been quite a hectic year for us.

I remember, Mr Hardeman, after our meeting with Minister Hodgson where he assumed the Madsen lawsuit responsibility, we met you two hours later and we were looking for some leeway to maybe October 1 for formation of the new municipality. You doubled the marching orders that we'd already got from Minister Hodgson and, lo and behold, we got it done.

Mr Hardeman: We knew you could do it.

Mr Wilson: I guess we're kind of feeling our way. We wanted the upper-tier form, and maybe this is going to take some getting used to. I'm somewhat reassured, by your description of the two items that we did have some

difficulty with, that we can live with it, but we're still cautious.

Mr Miclash: Thank you for travelling to Kenora, Dunc and Brian, on such short notice, as you indicated, after a very busy time around the Red Lake area, as you've also indicated.

We're hearing from a good number of mayors, reeves and councillors that they're having problems in figuring out the numbers when it actually comes down to the cost to the local taxpayer. I'm just wondering if you're aware of any impact studies that may have been done before Bill 12 was introduced. If so, what were they, and if not, could they have helped somewhat?

1650

Mr Wilson: I don't recall such study as you mention. Again, we are kind of concerned as to how this mix comes out. I find this is the first time I've ever run across citizens who seem to be anxiously looking for their tax bill. That's quite a different approach from previous seasons, but I guess we're in the situation of keeping our fingers crossed.

We are now a more general municipality than we were before. Again, speaking from the side of the township of Golden, we were a very heavy industrial tax base. We now have some government buildings and so on which we are remunerated for in a different form with the combination with Red Lake. We are feeling our way, but we really want to get at running some tests through the tax rolls when we are ready.

Mr Miclash: Unlike other municipalities that have actually come up with figures, like Atikokan, as I was indicating earlier, a \$121,000 shortfall in terms of what they'll be faced with this year, you're saying you don't have any actual figures in what you're going to be short?

Mr Wilson: We were to have a finance meeting last night, which had to be postponed because of an illness of one of our people. We are grappling with actually two large budgets: the township of Golden and the township of Red Lake. The Madsen local services board also have their budget. We still have to get a feel for the other half of the district's grounds. We have not been able to run test models and so on through our district. Our greatest fear is what kind of impact this may have on the residential taxpayer.

Mr Len Wood: Thank you very much for your presentation. Going back a number of months, I guess, quite some time now, the Premier and the cabinet ministers said all of the downloading and dumping and whatever was taking place that the province was paying for before was going to be revenue-neutral. Now we're finding out from most municipalities that I represent in northeastern Ontario and even here that it's not revenue-neutral, that there are going to have to be huge tax increases as a result of the exchange of services, what the province was paying before.

You're saying that people are anxiously looking for their tax bills to see what's on them. Do you think there will be a concern out there if the people are faced with a 4%, 5% or 7% increase in taxes as a result of paying for services that the province normally paid for before?

Mr Wilson: There is a real concern. I think we have managed to come up with some savings in the amalgamation which may help a lot on the budgets. I would just be guessing as to what the impacts might be, but certainly residential taxpayers indicate that they cannot stand a tax increase. I think certain of our business sections may be in real trouble, for instance, those with apartment complexes and that sort of thing. I think those are the people who are really sweating it now.

Mr Len Wood: Waiting to see when the next shoe drops as to what's going to happen. Thank you very much.

Mr Larson: The fixed-income people will have a problem. We have a number of people retired who are now on their own and who —

Mr Len Wood: Do you see people losing their houses and ending up in apartments as a result of this?

Mr Larson: I wouldn't go as far as to say lose their houses, but we did have to switch our taxing, rather than four times a year — right, Dunc? — to three times. That did pose a problem.

Mr Wilson: We do have a section of the population — of course the Gold Corp strike is now in its second year. It's now gone through two years. Those people's budgets must be in shambles.

The Vice-Chair: I'm sorry; we've run out of time. Thank you, gentlemen, for coming here today and giving us your views.

DISTRICT OF KENORA UNINCORPORATED RATEPAYERS ASSOCIATION

The Vice-Chair: I'd like to call on the District of Kenora Unincorporated Ratepayers Association, Ken Pride. Good afternoon and welcome to the standing committee.

Mr Ken Pride: Good day. My name is Ken Pride and I am the District of Kenora Unincorporated Ratepayers Association's representative for the Lake of the Woods North area on the newly created Kenora District Services Board. I'm here today to put forward our association's thoughts and opinions on Bill 12, the Northern Services Improvement Act.

As you know, the province impacted the lives of everyone when they proceeded with their downloading of costs on the municipalities. This event caused the municipalities to look in new directions in order to make their budgets realistic for the municipal taxpayer. One of the areas they looked at was the unincorporated territory.

Our association was formed to ensure that the unincorporated ratepayers of the Kenora district would have a fair and equal say, as well as fair and equal representation, in any process that may be undertaken by the municipalities. It has been a learning experience for both the municipal and unincorporated representatives in building a working, dedicated team to help the Kenora district move forward without resentment and hard feelings being developed.

Our association and the Kenora District Municipal Association initially submitted a proposal for an area services board. We waited patiently for the province to introduce the appropriate legislation to allow the creation of the area services board. Minister Hodgson told KDMA and DOKURA representatives in May 1997 that there would be legislation in the spring of 1997. It was then delayed to the fall of 1997, then delayed again. When it was finally introduced into the Legislature for first reading in December 1997, we were relieved that the minister had come through on his commitment to get that legislation in place. You can imagine our disappointment when the legislation was allowed to die on the order table.

The province did, however, stay on its timetable to download the costs and told us to form a DSSAB, district social services administration board, to cover the costs and administration of three core services: child care, Ontario Works, and social housing. It also gave us the option of providing two additional services: public health and land ambulance. This is not what we asked for. Consequently, we adjusted our original proposal to fit the DSSAB guidelines to get us up and running. We would also like to make it known that, together with our municipal partners, we fully expect to evolve the newly approved DSSAB into an area services board when this legislation becomes law.

Our association wrote the minister and told him that we want the Northern Services Improvement Act, Bill 12, in place. When this legislation was reintroduced this spring, our association felt relief and hoped the province would follow through with its adoption of the Northern Services Improvement Act.

It is for these reasons that we are here today. Our association has held many meetings across the Kenora district during the last year and a half and we have heard many different concerns. Some of those concerns are addressed in the legislation; others are not.

One of the major concerns we have in this district is the lack of willingness by the provincial government to allow the creation of new local services boards. There are many areas that could benefit by the creation of a local services board that could handle all the roads in a specific area. This could eliminate the need for a multitude of local roads boards. In some areas, waste management is the prime concern. A new local services board in these areas could provide the answer.

Many unincorporated areas are very unwilling and in fact adamant about not wanting to be a part of an incorporated municipality. The creation of a local services board would allow all ratepayers of these areas to pay their share of the costs and still retain their independence. Our association feels that regardless of where a ratepayer chooses to live, be it adjacent to a municipality or kilometres away from the municipal environment, the ratepayers must be allowed to create a local services board if they so desire.

1700

We realize that our colleagues in the municipal councils do not feel this way, and that is their right. We,

on the other hand, recognize the fact that municipal life is not for everyone.

Our association wants the province to give full consideration to each and every application for creation of a local services board. Our association notes with some interest that public health is included in the core services that are mandatory for an area services board to provide.

As mentioned previously, in the process to establish the DSSABs in the province, public health was listed as an optional service that could be requested. The Kenora District Services Board has requested public health in their DSSAB proposal and has been rejected in that effort by the province. How does this make the inclusion of public health in the mandatory services of this legislation work when the province will not give up their control over this item?

Our association feels that if an area is willing to take on a service that is made available to them, the province and the ministries involved must pass on the delivery of the service requested.

All across our district there is a need for land use planning. We think this is probably true for the rest of the province in areas that have unincorporated populations. The delays that are faced by parties waiting for approval of their land use proposals from Toronto are intolerable. If a proposal to develop property is submitted, there is no telling how long and expensive the process may be. These delays are seriously impacting the economic development of our district.

Our association feels that land use planning should be included as a core service. This would enable each ASB area to direct land use planning in a way that best suits them, including environmental concerns.

Our association also heard from the local roads boards, local services boards, local fire teams and local road associations that they have a great concern with the collection of the levies they need and will require in order to operate. Several areas have people who do not pay their levies when they are due and as a result are freeloading on the backs of others. When they are created, the fire teams and road boards are mandated to provide the service, but there is no effective way to collect the monies needed to operate.

We see this legislation as a part of the solution. We noticed that the local roads boards are mentioned specifically in the legislation as being able to have the area services board collect funds on their behalf. There was, however, no mention of collections for local fire teams or local road associations. Our association was wondering, can the collection of fire team and local road association levies be done through the application of a special board levy, as noted in the proposed legislation?

Our association believes that if a ratepayer is a user of a service or a recipient of a mandated service, then the ratepayer must be prepared to pay for that service. Therefore, we see the special board levy as one way of providing funding for those service deliverers who are having trouble making ends meet through non-payment of levies. Our association therefore requests that the local

fire teams and the local road associations be included in the group that can apply to the area services board to collect their levy.

When we discussed the budget and taxation models we noted that in model number one the province would collect the unincorporated area's share through the provincial land tax. Our association feels that if this is done, then the province should be prepared to break out the costs of what the ratepayer is actually paying for. The local ratepayer will not simply accept a bulk bill with no accounting of the services being paid for — I think just a straight accounting of where the money's going and who is collecting it for whom.

Our association supports model number two for a number of reasons, but mainly because it leaves the decision-making and taxation ability in local hands where there is local accountability.

Our association hopes that this legislation will be passed at third reading as soon as the Parliament resumes and proclaimed into law immediately after that passage. We have waited long enough and have endured enough provincial delays in the process. If the province is serious about passing off the costs of services to the Ontario ratepayer, it must also be equally prepared to divest itself of control of those costs.

We are pleased to have had this opportunity to make this presentation today and hope your committee will take our message to heart.

The Vice-Chair: Thank you. We'll begin with the Liberal caucus.

Mr Miclash: Ken, thank you for your presentation. You've certainly presented us with a good perspective from your association. You talk about land use planning. It's something that we've seen a great amount of difficulty with in the area, and you and I have talked about this on many occasions.

Mr Pride: We sure have.

Mr Miclash: I'm just wondering if we can put on the record your thoughts about a development which has been talked about by not only many in the area in which you live but the municipalities as well, that of course being cottage lot development and what impact that would have in terms of the unincorporated areas and the spinoffs to municipalities in the region.

Mr Pride: You and I have discussed this many times.

Mr Miclash: I want them to hear it.

Mr Pride: I have a subdivision which I had approved, with your help, and we were one of the last subdivisions which was approved before a moratorium was put on. I don't know if the rest of the members of your group are aware there's a moratorium on subdivisions in the area, and I resent this. I'm 60 years old, and I'm going to be getting a lot older every day, they tell me. Eventually I'd like to do something with my land, but in the meantime you're telling me I can't. This has a great bearing on the economic development in the area.

I have sold some of my cottage lots now. Every one has a cottage on it. They're being assessed, they're paying their taxes. They're buying their materials locally in a

large amount of the cases. It's just too darned far to bring it from Manitoba. A few of them do, but most of them buy locally and that has quite an impact on our local economy. In some of the unincorporated areas a full 70% of the people are cottagers and they deserve the right to be heard just like anybody else. They've got one heck of an investment here.

Just recently we checked the assessment in the unincorporated area and it was quite a shock to some of the municipal people that the assessment in the unincorporated area that I represent pretty near approached what the municipality and the town of Kenora had. That's a sizeable assessment and I think we should be taken into consideration. Not everybody in our area wants to be part of a municipality. In fact few do, but the reality is there that we recognize, we know that we'd be part of something. The upper-tier government is a very good way.

I don't know if I've answered your question, Frank. I think I have in a way. It's a real economic boon having cottage lot development in the area.

Mr Miclash: As you say, we've discussed this on many occasions and I thank you for getting it on the record today.

Mr Len Wood: Thank you very much for your presentation. I can sympathize with you on the delays that you're talking about when a minister comes out and says, "I'm going to bring in this legislation," and then doesn't bring it in, and then brings it in in the fall and forgets to have it carried over into the next session of the Legislature and as a result the government continued with downloading and dumping and adding the extra costs on to every municipality in Ontario, which the province used to pay for before. I can see your concern: Is it going to become law after these hearings are over, when the Legislature goes back in September, or are they going to find other legislation and, as a result, we end up going into an election and Bill 12 sits there on the order paper not getting third reading.

We don't know, because there's been so much incompetence that's happened over the last year and a half where they had to have new legislation brought in to correct the old legislation that had errors in it. So this might continue for the next while, we don't know. But you're interested in seeing it become law and I hope that your dreams and wishes are fulfilled in October. Thank you very much.

Mr Hardeman: Thank you, Mr Pride, for your presentation. There's a couple of quick comments. One was your comment on the first one of the two abilities to collect money to pay for services in an area services board. Of course that is where the minister would collect the taxes on behalf of the area services board and forward them to the services board, and your comment was that that should be broken out to know exactly what the property taxpayer —

Mr Pride: It should be itemized.

Mr Hardeman: Yes, it should be itemized, and I would share your concern. I read the legislation, going through the whole thing, that in fact the area services

board would set its budget and it is through that setting of the budget that they would tell the minister what was needed to be levied to the individual taxpayers. That budget would then be available to every taxpayer so they would see what that would be.

Mr Pride: That would be acceptable. That's what we're looking for, something where we're not imposing something or you're not imposing the provincial land tax and increasing and no one knows where the money is going. All we're looking for there is a disaster in the unincorporated areas.

I think we've done our homework pretty well on the unincorporated areas. We've joined with our municipal partners as full partners and we helped draft a lot of this stuff that's been put forward to you people.

1710

Mr Hardeman: We appreciate it. The other two small areas — one I'd just like to question you on. We've had a number of presentations suggesting that land use planning should be, first of all, done by a services board in areas where we don't have municipal government, but there's been a variation. Some seem to think that should be at a local services board level and some seem to think that it should be at an area services board level. Do you have any preference? Your presentation, of course, suggests that because we're creating the ability to create area services boards, that's where it should be. But there's been some suggestion that that was too broad, that they wanted it more localized. Do you have any comments on this?

Mr Pride: The problem being that in the unincorporated areas we have no other form of government. We don't have one, unless we have the local services boards that we presently have in some areas, but they're not complete. They don't cover all the unincorporated areas, so where do we go for our approvals then? As I spoke to Frank Miclash, I went through a seven-year process trying to get approval for a subdivision and it damn near bankrupted me. I ended up with \$350,000 spent out before I took a cent in. It's just not right.

Mr Hardeman: I think the government would totally agree with you that a seven-year process for any subdivision, even finding out one cannot build it — it shouldn't take that long to make a final decision on whether you can or cannot build.

Mr Pride: Fine. If you can't do it, you can't do it. Tell us. But if we can, we should get approval within — I'm not talking about approval in five weeks or something, but there should be a legislated amount of time where we will get an answer one way or the other.

The Vice-Chair: Thank you very much. We appreciate your comments.

LAKE OF THE WOODS DISTRICT PROPERTY OWNERS' ASSOCIATION

The Vice-Chair: I'd like to call on the Lake of the Woods District Property Owners' Association, Gerry Wilson. Good afternoon and welcome to the standing committee.

Ms Gerry Wilson: Good afternoon. My name is Gerry Wilson. I'm the executive director of the Lake of the Woods District Property Owners' Association, which is an organization of some 3,000 families, including both seasonal and permanent residents. Our members own property within the Lake of the Woods area, some within town boundaries but largely in the unincorporated areas surrounding the tri-municipal area, Sioux Narrows, Minaki, Redditt, across the whole area around Lake of the Woods.

We have been directly involved with the District of Kenora Unincorporated Ratepayers Association, whom you just finished hearing from, since its inception in March 1997, and I serve as co-chairperson of that organization.

The Kenora District Area Services Board proposal developed by municipal and unincorporated representatives met the diverse needs of the Kenora district by putting in place a structure to assume responsibility for the downloaded services. When the expected legislation was not passed, we adjusted our proposal to fit the new guidelines, with the understanding that the DSSAB would then evolve into an area services board on the passage of the Northern Services Improvement Act, formerly Bill 174, now Bill 12.

Bill 12, when passed into law, will broaden the options of the ratepayers in the unincorporated areas. It will allow those areas outside municipal boundaries to receive and pay for services that are district-wide in nature, that is, services needed across the district whether or not you are within the town boundaries. An area too far away geographically to be part of a municipality still needs a place to take waste. Land use planning is needed across the entire district to guard against overdevelopment, particularly in recreational or cottaging areas. Policing, sewage system approvals, public health, fire protection and roads are services that ratepayers across the unincorporated areas require and for the most part are willing to pay for.

Our association requests that local services boards, road associations, roads boards and fire teams be able to collect their funds through the special board levies mentioned in the legislation. To this point, services such as fire protection and roads have been supported by voluntary contributions and user fees. Volunteers from the community have provided countless hours in delivering those services and fundraising. Local services boards, roads boards, fire teams and road associations have no effective way to collect the monies they need to operate. They've always had the manpower, but they haven't always had the dollars, and no effective way to collect them.

Our association recommends that waste management be included as a core service. The Ministry of Natural Resources landfill sites around the tri-municipal area are slated to close and there is no way to tax the residents in the area to contribute to this essential service to ensure it continues.

Our association arranged a garbage bin program for three summers to serve the needs of the large seasonal

population to the west of Kenora. We have also funded a recycling program which kept truckloads of waste from filling up the government landfill sites. We arranged a yearly permit system with the goal of ensuring that the contractor would be able to keep these sites open additional hours. This combination of donations, voluntary contributions and user fees has not been sustainable. Volunteers wear out.

Our association feels that land use planning should be included as a core service. This is something I know you're interested in and I'm happy to be able to address it.

This would enable each area services board area to direct land use planning in a way that best suits them. It is essential that land use decisions and the implementation of these decisions be achieved by local stakeholders. This will avoid the issues, controversy and detachment inherent in decisions made by people who don't live in the local area and are not accountable to the people who have to deal with the social and economic impacts which result. It seems to us that it is counterproductive to make land use designations of crown lands, as is occurring in the Lands for Life process through the Ministry of Natural Resources, without considering the impact of private land development at the same time, or at least in a parallel process.

The Lake of the Woods District Property Owners' Association was instrumental in the creation of development controls in the Clearwater Bay and Shoal Lake areas and we serve on the Clearwater Bay Development Control Appeal Board. These guidelines for development control by way of a minister's order, which were set in place to protect the lake trout fishery, are administered by the Ministry of Natural Resources. Their ability to enforce the guidelines has proved to be grossly inadequate.

The other tool, to control development in the unincorporated areas, is the requirement for adequate sewage facilities. The Northwestern Health Unit does not have the necessary resources to ensure that existing sewage systems are performing adequately. Inspection programs have been non-existent for four years and their response, to the health unit inspectors, to reports of inadequate systems have not always been followed up on. The current increase in the cost of a permit to install a system from \$150 to \$625 could discourage compliance. Across the Kenora district, consistent standards and enforcement are needed to protect our lakes and rivers. These waterways provide the basis for a viable tourism industry and a critical quality of life component for local and seasonal residents.

Our association has funded research on alternative sewage systems, particularly the Waterloo biofilter, which, if approved as designed, would have met the needs of the Canadian Shield and addressed its inability for absorption. Delays in the approval of this system and unnecessary modifications that were required have resulted in a failure to develop the system. That's something that I think, if it was handled more locally, might have had a better chance of getting approved and being available to people now.

Planning in the unincorporated area must be balanced between the need for economic development and environmental protection. There must be recognition of the future potential for the growth of the ecotourism industry and its needs, which we can't even imagine at this point, except that it is the fastest-growing part of the tourism industry, and we really do need to ensure that we've got some land left for that economic activity. Again, a strong need for land use planning in the north.

Our association strongly supports the creation of new local services boards in areas where there is local support.

The volunteer involvement that I spoke of earlier in local services such as roads boards and fire teams is very active in some areas. In these areas which have a strong community involvement, a local services board could provide a structure to collect funds for the efficient operation of these essential services. The area services board in turn would tax for the funds and give the money back to the local services boards. But you still need the volunteer labour. In areas where there is strong community involvement that local services board gives the people who actually live in the area a chance to do some hands-on. But again, like the roads boards, they have a hard time getting the money.

Our association supports taxation model 2, which ensures local input. If this is not possible, we support the DOKURA suggestion of a breakdown of costs as being necessary to indicate the services that are being paid for and how much you're paying for each service.

The Lake of the Woods District Property Owners' Association members have a strong attachment to our area of the Kenora district and we hope that this legislation will be proclaimed into law as soon as possible. We believe that you're in a position to set the stage for a process which will carry us well into the future.

Thanks for the opportunity to comment.

1720

The Vice-Chair: Thank you very much, Ms Wilson. We'll go to Mr Wood for comments.

Mr Len Wood: Thank you for your presentation. I'm interested in the local services boards and their involvement with firefighting. You're saying that they do a lot of fundraising and different things to raise money to be able to do their jobs.

Ms Wilson: To be able to function, the fire teams in particular — bake sales. How many brownies people have cooked, I don't know, to support their local fire teams.

Mr Len Wood: Are there any fundraising events taking place to repair roads and culverts and different things?

Ms Wilson: I'm not aware of that but I know the fire teams do an awful lot.

Mr Len Wood: Your suggestion is that they be allowed to raise property taxes instead of having to do this much volunteer work because of the burnout of the volunteers.

Ms Wilson: It's partly that but it's partly also because they don't have an effective way of compliance. It's hard

to get the money from a lot of the people and they don't really have any sort of enforcement.

Mr Len Wood: Have you had any indication from any of the government cabinet ministers whether they will allow local services boards to continue or establish new ones?

Ms Wilson: In Bill 12 I believe part I referred to local services boards. There were comments in that part that local services boards be created. I think it's a good method of ensuring community support, which I think is really important in rural areas, and it was definitely referred to in part I of Bill 12.

Mr Len Wood: In general, you're looking forward to Bill 12 being passed in to law?

Ms Wilson: Yes. Funnily enough, it's going to increase our taxes, so I'm not really sure why I'm looking forward to it, except that Bill 12 will enable us in the unincorporated to pay for services that we actually need. We need waste management, we need land use planning. I really feel that the people out there don't mind paying for things they need. They're more than willing to do that, from my understanding.

Mr Hardeman: Thank you very much for your presentation; again, very informative. I think we've had considerable discussion about the unorganized and the taxation issues and so forth. It's very difficult to get the people in the unorganized to come forward and say, "Please, please, set up an area services board so you can send us a tax bill." I think, at first blush, that's quite a concern. But as your presentation points out, and I think everyone would agree, fair is fair and we should all pay for those services that we require and that are going to be provided in a cost-effective and efficient manner.

I'm not sure that without actually writing me a book and sending it that you can answer this question, but I found it rather interesting as we talked about what a local services board is in relation to what local government is, what a municipal government is, when we look at the definitions and the descriptions of what they are in the past, the only thing I hear that is very much different between a local services board and a municipality is the fact that municipalities have the power to tax.

That's one of the reasons, at least from my understanding of the presentations I've heard, that you will very seldom see a local municipality — and incidentally, the people on the local services boards are community-minded people trying to provide services to their constituents, the same as local council, but you very seldom see a local council holding a bake sale to fund the local fire department. As you said, in the unorganized you have them doing that, but of course the local services board doesn't have the ability to tax. Can you give me your impression of the difference between the two? If you do provide the ability to tax to local services boards, why would you not call that a corporate body and eventually call it a municipality?

Ms Wilson: I believe the local services board does tax. People do pay taxes to the local services board. It's just a matter of who does the taxing, whether it's tacked on to

the provincial land tax or the local services board does it on their own. They do have monies but it's hard for them to collect it from everybody they send a bill to, as it were.

Mr Hardeman: They don't have the ability to collect it?

Ms Wilson: No. Well, I think some of them do but I might be wrong on that. I know one of the services boards in our area does it through the provincial land tax, and the other one, I believe, does it on their own, but I may be wrong there. One is Minaki and one is Redditt, and one does it one way and one does it the other way. The difference, I guess, is size and the services that they're able to provide.

Local services boards at this point are limited in the services they're allowed to provide. There are only five of them. It would be a good thing if roads were added to it, I think, and perhaps waste management. It's funny that garbage pickup is allowed and waste management isn't. I don't think that many people in the rural areas are looking for garbage pickup, but we would like a place to take our garbage. Difference in size, I would expect. These are rural areas. They don't need street lighting. They don't need sidewalks. They're not looking for bus transportation service. They're simply looking for basic services to be provided that suit their area. So I think there is a great deal of difference between a municipality and a local services board.

Mr Miclash: I've been looking forward to your presentation today, because we came across a fairly unique proposal this morning. As has been indicated, and you have indicated as well, fair is fair when it comes to taxation, but the proposal this morning was that there should be a difference between a seasonal owner and a permanent resident and that if a person were caught — you know what I'm talking about — in the same taxation area, they should be able to have, as our American visitors do when they go to the border to go back into the United States of America, a tax credit. You know the couples on fixed incomes I'm talking about. They come to me in great numbers and ask why they have to pay the same taxation on their permanent residence as they do on their seasonal residence and should there maybe be some sort of a tax credit if they're caught in that situation. I'm looking forward to your comments on that.

Ms Wilson: I think if it were possible to determine residency, that would make really good sense. I think it is for a lot of the seasonal residents; a lot of them simply cannot be here physically. They're on islands. Their cottage is not insulated. They don't have plumbing facilities. They simply are not inhabitable in the off season. I don't think there are many seasonal residents who are down here more than a total of perhaps three months, even given the weekends in the winter that some of them do come. So certainly a lot of our members would be in great support of that.

I think what's really important to understand is that in areas where there is a very large percentage of seasonal residences such as in Lake of the Woods South, Lake of the Woods North, there needs to be some sort of consid-

eration in those areas, whether you separate seasonal and permanent or whether you just say that 99% of the people on the islands, 99.9% probably, are only there for a couple of months, so maybe islands should receive something for people who are on water access and can't get there except by boat, for people who live on lakes where they have to walk in.

If you're on a plowed road that has year-round access and you have a winterized home, I think it would be difficult. Certainly our members would like it, but I think it would be very difficult, except that one way you could do it is to figure out where the guy's main residence is. They have to determine where their main residence is, and if they are able to do that and satisfy the requirements of doing that, yes, a seasonal rate would certainly be desired, but I think it has to be done fairly. I am just concerned that there could be some loopholes. I don't know.

Mr Miclash: Again, it raised my interest this morning because this particular individual suggested that OK, you are a property owner in, let's say, the town of Kenora or Jaffray Melick, yet you have a cottage within that school board taxation area. You are contributing to the local economy. You are not packing up and going south for six months. You are contributing to the local economy by having two residences. Their feeling was that should be recognized. I guess that's the point I was getting at.

Ms Wilson: I agree with you there, but since you bring up school taxes, that has long been a really sore point with seasonal residents in this area, not only because they are taxed at the same rate, but that they're not allowed to access it. They are simply not allowed to use it. I have personal experience with that, but I don't need to bring that up. That has really been a difficult one for the seasonal residents to swallow. There have been huge increases, of course, in school taxes, but the other end of it is the fact they have not been allowed to use it if they wanted to. There are situations where they might want to and that's been a real tough one.

The Vice-Chair: Thank you very much. We've run out of time. We appreciate your being here today to make a presentation to us.

1730

TOWN OF KENORA

The Chair: I'd like to call on the town of Kenora. Kelvin Winkler is the mayor. Good afternoon, Mayor Winkler, and welcome to the standing committee.

Mr Kelvin Winkler: Thank you, Madam Chair and members of the panel. It's great to see you here and I appreciate the effort you took to accommodate us and hear us out.

I am entering the sixth term as mayor, having sat out one term, and had two terms as councillor. Before that, in the late 1960s and the early 1970s, I was a member of the joint planning board. At that time the unorganized areas were represented. For the last two decades they haven't been. It is good news to my ears to hear they realize that planning is necessary for the area, and let's keep it an area

services board so we know where we're going, not little pieces here and there and having different plans and agendas.

In January of this year, Chris Hodgson, Minister of Northern Development and Mines, was in this room at a banquet and I told him that the planning they're doing for amalgamation had great merit and could be a success for us to have an economic future, but it has to be done right.

In the Kenora area and especially around the town of Kenora, there is a large number of seasonal residents, and there are also residents living year-round in the unorganized territory because it's cheaper to live out there, and also, not that it's also cheaper, but people, instead of building summer camps now on the lake, are building permanent homes, so they are commuting. It's a bedroom community of ours. In order to be successful economically, we have to have numbers and they are sparsely populated up here.

The minister has the opportunity to add any services to Bill 12. It's a matter of collecting services that are being provided by the municipalities that the seasonal or unorganized, all-year-round residents use in the municipality. There is no way to collect it.

The DSSAB or the area services board would be a mechanism of the minister to collect those things. We've heard about waste, garbage collection. We have spent \$1.1 million so far on trying to find a site because nobody in the unorganized or built-up areas want it in their backyard. We're not sure we've found the site. We want to make sure when we find it that it's going to protect our lakes and so on, so the costs are there.

We hear that they want to share it and pay, but the share part works, the paying doesn't. You can't run a garbage system on \$1 a bag when you've got \$1.1 million in consultants' fees. Also, the costs to generate a garbage dump will be in the millions of dollars. Everybody has to pay their fair share.

The school boards: It was mentioned about the taxes. The seasonal residents complained about it. They had to pay a high tax. We hear they're seasonal. Some of them say, "We only use our properties for two months of the year." If I bought a condo or a house in Winnipeg and I only went there two months of the year, would I get two months' taxation? No. Even if they had a condo in Florida they still pay taxes 12 months a year for services, whether they use them or not.

What we're saying is that we want to help the whole area and all our planning has been done for that. People don't know that Kenora Hydro pays 1.5% of their hydro bill to help lower the rate in the unorganized territories, which amounts to over \$100,000 a year. Kenora telephone has worked with Bell to make sure we could get toll-free service from Sioux Narrows, Bradette and Clearwater Bay. That saves the residents there. Instead of paying long-distance charges, there is free access to Kenora. It's a benefit to Kenora and it helps the economic life of the area.

I think we've got to get our heads out of the sand and try working together on this. The three municipalities are

trying to amalgamate and that's a hard enough job. We have a study going on taking in a broader area to see what's best economically and how we can manage it so that everybody's share is bearable and that we can get the best service for our dollar.

I think for the three municipalities to amalgamate there are some technical changes that have to be done and we need to consult with the government. We've been trying. Chris Hodgson was here in January to arrange meetings at NOMA. Al Leach promised we would have a conference call. Nothing's happened yet.

We're trying, when we come down to AMO, spending the whole week to try to arrange to meet with the ministers and point out some things. We don't need a commissioner to tell us. We've grown up here. We know what the problems are, what the government has to do and the members on the panel have to take into consideration.

Hear us out. Hear what our problems are. Try to help us find the solution so that we can grow economically. We have the resources here. We have the lifestyle that everybody wants. Let's work together on this. It can be done and we can improve. We don't have to keep raising taxes if we co-operate and do things properly.

I want to thank you for hearing me out and wish the panel luck in trying to work things out. This is only one area, so it's hard to legislate acts that satisfy one particular area, but we need some special consideration to get this done.

Mr Hardeman: Thank you very much, Mr Mayor, for your presentation and for your hard work in trying to make local government more cost-effective and efficient in your area.

On behalf of all those involved, we apologize that the meetings you've been trying to set up have not yet taken place. We sure hope that in the next few weeks as you go to AMO they can be arranged and actually take place.

I have a couple of questions on the presentation and the actual content of Bill 12. You were here most of the afternoon, so you were also here for the last presenter. It was suggested that waste management should be a core service for area services boards, because that's a service that you need in a broader context than local services boards or than local municipalities. You seem to agree with that analysis, that because of the cost of getting one approved you need a larger tax base and everyone can't be finding a site of their own. You have to work together.

Do you see the ability for the minister by regulation to include more services? Is that sufficient to cover off, that waste management could be put under the umbrella of an area services board, as opposed to making it a core service that all area services boards must provide if they're set up?

Mr Winkler: I think one central dump is enough for a given radius; I don't say for the whole district of Kenora, but in the tri-municipal area here one dump would be enough. But keep in mind that capital costs have to be entered into it.

1740

Mr Hardeman: There has been considerable debate about the local services boards in relation to organized municipalities in the north. We've heard quite consistently that the organized municipalities or the municipalities that have a municipal structure have concerns that the development takes place outside their boundaries and then the residents do not necessarily pay for their fair share of municipal services because they don't become part of the municipal tax base.

The residents who make that decision to build in the unorganized or in the area where they have no municipal government say that is a conscious decision of choice, that they want to live in that type of atmosphere and it's not necessarily related to the fact that they don't have to pay taxes. In fact, we've had many present and say they're quite willing to pay their fair share of taxes but it's a way of life they've decided to take.

Do you share the concern that if the ability to create, or the Minister of Northern Development decides to allow more local services boards, that's going to be a hindrance to the operation of organized municipalities or municipal structures in the north?

Mr Winkler: As I say, there are services that are used in the municipalities such as recreation, museums and libraries that are able to tax on to the area services boards. To collect from those people, we all benefit. But the willingness to pay has to be, like I said before, shared services, user-pay. There's a person on the area working committee who wanted to dump when his area was closed by natural resources, phoned up our CEO: Could they use our dump? We said, "Yes, but it's \$30 a tonne to dump it." That ended the conversation. That's the important part.

Mr Hardeman: One final question, Mr Mayor. A number of presenters have suggested that the areas where they have no municipal government at present should be able to levy taxes through the area services board for the services they provide locally, such as fire service and so forth, and it was in the last presentation. From your last comment, am I to understand that you also feel that the areas where they have municipal government should be able to levy through the area services board for services provided by local government to people who are utilizing those services outside their municipality?

Mr Winkler: I have a little concern about the area services board trying to tell the big boys what to do. If it's fair taxation, how you collect it can be agreed upon. It doesn't matter. You've got to get your hand in your pocket and it's a question of how deep.

Mr Miclash: Kel, with the number of aspiring cabinet ministers in the room here, it's good that you should mention the meetings in Toronto to indicate the cost and the time for people from this area to get down to Toronto and not gain the access to the ministers you've indicated. I think it's something that some of the folks may want to take back to those appropriate ministers.

This is a question I've asked a good number of the mayors, reeves and councillors who have come forth. I've asked about their ability to access the various funds being

announced by the government. Are you happy with the additional costs to your ratepayers? Are you happy with the fact that the government has suggested that, yes, this is going to be revenue-neutral and are you happy with the access to those funds they've announced?

Mr Winkler: We've gotten some funds. The question is to iron out the difference in our numbers and theirs. In February, when we were down for Good Roads, we talked to Frank Klees about the difference in the Ontario Works program. Our figures and theirs were close to \$500,000 out.

Since then we've been talking from Thunder Bay, and I think Ian Smith is aware of it, and we went to Sudbury and we were all over the place. They're finally coming around to saying, "Yes, we agree with your figures." If we get that difference, it will help make it revenue-neutral. We're \$780,000 short from our last tax bill that we sent out, figuring that we're going to get that money from the government. Otherwise, if we have to send out a third bill, it'll be money we don't get from the government. But we have a chance, if we can sit down with the bureaucrats and give our figures out. There are fines the town can get. We can wipe that out and maybe come out with a surplus. But we've got to have closer co-operation. To run a business, you can't wait; the delays cost you money.

Mr Miclash: Kel, fair is fair, as we've heard many times today as well in terms of taxation. You were here when I ran the idea by Gerry Wilson in terms of a tax credit for, say, one of your citizens or one of the citizens in the school district of Kenora-Keewatin-Patricia, to have been taxed both on their permanent residence and on their summer cottage. I mentioned the fact to her that they are paying into the economy at both places; they are not snowbirds, they are not leaving country but are paying in both places. I have a good number of them who come to me when they reach an age where they're on fixed incomes, where they want to go out and enjoy that place they've worked very hard to get to where it's at and to maintain it, where they're finding it almost impossible to put up with the taxation system that's there that imposes double taxation, from what they feel. How would you feel about some sort of a system that would recognize that?

Mr Winkler: It would be nice. I'm getting to that age.

Mr Miclash: I know. Aren't we all?

Mr Winkler: But you've got to be fair. If taxation for schools is on the general roll and you start making fish of one and fowl of the other, it's pretty hard to do. I feel for the people who are on fixed incomes, but those who are in Florida don't get any compensation for that, and those who are going to Florida can probably afford it. It's hard to say. I think you've almost got to get to a means test to see, because some people in their older age are being taxed for that and getting no benefit, but when their children went to school, somebody else paid for it.

The Vice-Chair: Thank you very much.

Mr Howard Hampton (Rainy River): Kelvin, I want to make sure I've got a figure correct. You say you're \$780,000 short.

Mr Winkler: That's what was said when we passed our budget last week, and about \$500,000 of that was Ontario Works. If we get the fines from the courts we might have close to —

Mr Hampton: That's the other \$280,000?

Mr Winkler: The fines may be a hundred and something, but there's other monies there.

Mr Hampton: What I want to ask you is this. As you know, these boards will require you to take on certain services initially, but others down the road. Do you have a trend line for Ontario Works in terms of what the costs are going to be? Certainly you're going to have to cover the cost of Ontario Works, or a certain percentage of Ontario Works, through the services board. Do you have a trend line for that?

Mr Winkler: I'm not aware of it.

Mr Hampton: How about child care? Has the province given you a trend line of what you'll be looking at for costs this year, next year, three years from now?

Mr Winkler: They may have to our minister. I haven't been talking to him recently.

Mr Hampton: How about housing for senior citizens and social housing?

Mr Winkler: That's a question mark in our minds. We're not familiar with what the mortgages are and things like that. We're just getting into that.

Mr Hampton: What about land ambulances?

Mr Winkler: That hasn't been sent down to us but we want to be part of that.

Mr Hampton: Public health, have you gotten a trend line, two years, three years?

Mr Winkler: Funny you would mention public health. We were threatened with lawsuits if we didn't pay. We never shirked our duty but we've paid, and the government has paid for the unorganized and for the natives in this area. So there's unjust taxation. We've already paid, the others haven't. But I think we have to have some input locally and I think it should be done through the area services board.

Mr Hampton: How about for the municipal home for the aged? Do you have a trend line of the cost you're going to be asked to absorb there over the next two to three years?

Mr Winkler: We have a pretty good idea — I don't know the figures — because we do it every year and we know what's being paid out and what their budget is.

Mr Hampton: Other people I've talked to have expressed concern that the minister would have the capacity simply to sign an order or make a new order and require the municipality to take on yet other services under the board. Does that give you some concern?

Mr Winkler: The costing does. To make it revenue-neutral, that's what we've got to be concerned about.

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Mr Hampton: The other issue that people have said with me, and I'd like your reaction on it, is under subsection 41(6). It not only provides that taxes can be assessed to pay for these services but also that a board may charge fees as well. It puts to the board, I guess, two

responsibilities. One would be that eventually, not necessarily immediately, you would be assessing taxes. You'd be sending a notice to local municipalities and to people living in unorganized areas saying, "You must pay this amount through taxes." But it also puts upon you a fee responsibility, so a policing fee, an ambulance fee, a land use planning fee etc. Does that give you some concern, that in effect not only additional services may be put on your plate down the road but you may be told, in addition to tax, "If you need revenue, then assess these fees against your residents?"

Mr Winkler: I think that's the opening of the door and the trend is user-pay. You have to have taxation for some of the capital costs, but in order to keep operating you have to have a user fee. It's one thing to build a marina or any structure, it's another thing to keep it operating. If you use your taxation for the capital costs and you may have to have some user fees. Right now for recreation, we're doing it through taxation and we still have charges for different groups.

The Vice-Chair: We've come to the end of our time. Thank you very much for appearing here today.

ONTARIO MEDICAL ASSOCIATION

The Vice-Chair: I'd like to call upon the Ontario Medical Association, Carol Jacobson and Bill Orovan.

Ms Carol Jacobson: My name is Carol Jacobson. I'm the director of health policy, the Ontario Medical Association. I would like to thank the standing committee for giving us the opportunity to present our comments to the committee. We know how busy your schedule is and all the travelling you have to do.

I would like to introduce to you Dr Bill Orovan, who is president of the Ontario Medical Association and who'll be making the comments on behalf of the association.

Dr William Orovan: Mr Chairman, members of the committee, thank you again for the opportunity of making this presentation on Bill 12, the Northern Services Improvement Act, 1998.

The Ontario Medical Association understands the intent of Bill 12. However, we are concerned that in achieving the purpose of the legislation, there may be some very significant consequences, especially for the delivery of public health programs and services in northern Ontario.

This is not the first time that the OMA has been concerned about the consequences of altering responsibility in the delivery of public health services. As you may know, the OMA worked closely with the government last fall to modify and amend the Services Improvement Act, Bill 152. It was with this legislation that the government altered responsibility for certain services, including public health services, by moving them to the municipal level. Amendments to the legislation proposed by the OMA and agreed to by government helped to protect the integrity of public health services.

At that time, the Ontario government recognized our concerns as realistic and legitimate. The resulting amend-

ments meant that local medical officers of health maintained a direct reporting relationship with local boards of health on health issues. Boards of health continue to have unfettered access to health professionals' expertise and advice. With another amendment, it became mandatory that the Minister of Health monitor municipal compliance with mandatory public health programs and services. Consequently, we believed that protection and integrity of public health programs had been secured. Therefore, there is some irony to the fact that today we face the possibility that another piece of legislation, namely, Bill 12, may be contrary to and inconsistent with our joint work on the original Services Improvement Act.

We feel that the programs we fought so hard to maintain may once again be vulnerable and threatened. Since the Services Improvement Act has been in place only since January 1, 1998, it is at this point difficult to fully determine its impact on the delivery of public health programs and services to the people of Ontario. To implement yet another system of delivery for these programs and services at this time specifically for people in northern Ontario does not seem to be appropriate or advisable.

Public health addresses issues that have province-wide impact. For example, the whole field of communicable disease control is global in nature and affects all Ontarians. The emergence of vancomycin-resistant enterococci, VRE, and methicillin-resistant staphylococcus aureus, MRSA, both drug-resistant bacteria that have been known to require temporary closure of several hospitals, as well as other new virulent strains of bacteria, make it critical that Ontario maintain a public health system which is able to respond quickly and effectively to these new threats.

A continuation of ongoing surveillance programs, appropriate disease-control measures to prevent further outbreak situations and close monitoring of such outbreaks when they occur, and the evaluation of public health strategies put in place to deal with them are critical components of our public health system. As we have said on many occasions, bacteria simply do not know or recognize borders or regions.

Public health services in rural areas are often a critical link for local physicians who do not have access to resources available in large urban centres. Boards of health and medical officers of health work with many local physicians who do not have the time or the ability to carry out effective communicable disease contact tracing, investigation and counselling.

Boards of health and medical officers of health also keep practising physicians within their geographic areas apprised of current communicable disease issues. As evidence of this, in a recent Ontario Medical Association immunization practice survey of over 1,000 family physicians in the province, 97% of respondents indicated that they keep informed about immunization issues through their local boards of health and medical officers of health.

In discussing Bill 12 specifically, the OMA will confine its comments to the overall framework of public

health programs and services. It is within this framework that medical officers of health play a very important part, and we are concerned that if their role is reduced or removed, that framework will be significantly weakened.

We know that medical officers of health and boards of health members will be presenting to the standing committee their own local concerns. Today I want to share with you our specific and more general concerns about this legislation.

First section 34, and later section 38, of Bill 12 mandate that the decision-making powers for public health in the north will reside with the Minister of Northern Development and Mines. There is no legislated requirement for the minister to involve the Ministry of Health or obtain the approval of the Minister of Health before making decisions affecting public health in the north.

Our experience does not give us confidence that interministerial collegial consultation alone will ensure that health care expertise and approval will be obtained and applied to such decisions. The OMA believes it's inappropriate for the Ministry of Northern Development and Mines to make decisions on health matters without the full and adequate input of the Ministry of Health.

Therefore, the OMA recommends that the Ministry of Health must approve the public health components of the plans for an area services board and that those plans meet all of the provisions of the Health Protection and Promotion Act.

1800

Second, we have concerns with another part of section 38. As it now stands, the Minister of Northern Development and Mines will have the power, by order, to indefinitely postpone the implementation of public health services in northern areas. Any such postponement, disruption or delay in public health services in the north, available to other Ontarians, is clearly unacceptable.

The ability to postpone is without limitation. When the Services Improvement Act was passed, there was no allowance for any hiatus in the delivery of public health programs and services in Ontario. There should be no reason for such a hiatus of these same services in the north as a result of Bill 12. All Ontarians must at all times have access to these important public health programs and services.

Therefore, the OMA recommends the bill be amended so that there is no ministerial power to permit disruption of public health services in the north for any reason.

Thirdly, the OMA supports subsection 38(2), which states that the Minister of Northern Development and Mines "Shall not derogate from standards for the provision of services imposed under any act." However, the OMA is concerned that this does not clearly define what cannot be derogated. For example, will an area services board have to comply with all of the requirements of the Health Protection and Promotion Act, including those which protect the independence of the medical officer of health? This should be mandated.

Fourth, subsection 41(1) establishes public health services as a core service that an ASB shall provide. Bill

12 does not bring into it, however, any of the restructures and reporting relationships — including, again, the role of the medical officer of health — that exist in the Health Protection and Promotion Act to ensure the maintenance of the excellent current public health programs and services. This too should be mandated. The Health Protection and Promotion Act recognizes the critical nature of the medical officer of health in the delivery of public health programs. With this bill, the OMA is concerned that this could create a different and significantly lower standard for the north than for the south.

Subsection 41(6) allows ASBs unrestricted powers to charge fees for services, including public health services. There is no such provision currently. We understand there are some amendments being made to the Municipal Act which will clearly define what services cannot be charged for. Will Bill 12 supersede those or will they be the same? Will northern Ontarians be charged for services that are available free of charge to those in the south? This needs to be clarified.

A further concern of the OMA is that under Bill 12, the area services board is not deemed to be a board of health. The minister may so order, but is not required to do so. This issue requires clarification. Will an ASB therefore have to comply with the requirements of the Health Protection and Promotion Act? Will an ASB be required to carry out the mandatory programs as outlined in the HPPA? What enforcement mechanisms will be in place to ensure that public health programs and services are delivered as intended under the Health Protection and Promotion Act?

Therefore, the OMA strongly recommends that where an ASB undertakes the provision of public health services, the ASB must be deemed to be a board of health within the full meaning of, and fully subject to, the Health Protection and Promotion Act. Without this revision there may well be, I reiterate, a public health system in the province with two standards: one for the south and the other, a lower standard, for the north.

Ontario's effective public health system has successfully managed communicable disease outbreaks, epidemics, disease prevention and health promotion. The people of northern Ontario must continue to receive these services, as do the rest of the citizens of Ontario, to protect them from outbreaks, inform them of communicable disease status such as meningitis, sexually transmitted disease, issues of lung cancer, unwanted teenage pregnancies. We believe it is important that Bill 12 not disrupt this excellent and critical service.

The OMA and the doctors of Ontario stand ready to work with you to find ways to maintain a safe and reliable public health system, not only for the people in southern Ontario but for those in the north, while still maintaining the overall goals of Bill 12. These recommendations in this brief move us towards that common goal.

Thank you. Ms Jacobson and I will try, if you wish, to answer any questions you may have.

Mr Micalash: You certainly bring a perspective to the table that we've been hearing from a good number of

health care providers, our district health units, in the presentations they have put forth and some of the comments they have made since the introduction of this bill. I think your statement regarding a double standard in terms of the public health programs in southern Ontario — a lower standard of medical services in the north over the south — is pointed out in terms of your brief here. I just hope the committee will take a close look at this.

We've heard from a good number of municipal representatives as we've done the hearings this morning and this afternoon their concerns when it comes to the outflow of taxation dollars from northern Ontario. I think what you've done here is actually pointed out that northern Ontario does not want a second-class standard, and some of the discrepancies that you have put forth in terms of Bill 12 will certainly put this on the table and will point this out. Again, I thank you for that.

The Vice-Chair: One minute.

Mr Gravelle: Dr Orovan, you made reference, obviously, to programs that are provided in southern Ontario. I start thinking about genetic counselling services, for example. In fact, when the decision was made to download services to municipalities, genetic counselling was taken off the table. There was a lot of pressure, and the government agreed to fund genetic counselling services and a couple of other services until the end of March 1999, I believe.

Is that an example of what you're talking about in terms of being able to maintain services that are available in southern Ontario? I guess the question is, are you in essence saying that the provincial government needs to maintain the financial support for that because it's not fair to expect it to be coming from the taxpayers up here?

Dr Orovan: Maybe I'll ask Ms Jacobson to respond to that.

Ms Jacobson: There are two sets of programs that we refer to. There are the mandatory programs, which are supposed to be performed. Genetic counselling falls under a set of programs that are not part of the mandatory. We agree and have certainly requested that the government continue the funding for those programs that are considered "not mandatory."

We're also concerned that under those that are mandatory, if they start charging fees for programs, especially ones that are required by people who can't afford to pay them, then they will not be accessible to those who need them the most. That is the concern we have.

So there are really two kinds: that the mandatory programs are maintained and delivered to those who need them, and then of course we also have a concern we didn't address here, because it's a separate issue not dealt with under the mandatory, for genetic counselling, speech and language therapy and the programs that fall in that area.

Mr Gravelle: We were very involved in that.

The Vice-Chair: Thank you. Mr Hampton.

Mr Hampton: How worried are you that this will create a fragmentation of public health? In other words, we will not have a consistent public health policy and a

consistent public health standard and a consistent public health delivery across northern Ontario and certainly across the province.

Dr Orovan: That's certainly a very major concern of ours. We had this concern originally when we participated in Bill 152. We thought we had put that to rest. We see now that there is a possibility that this act resurrects those same problems specifically in northern Ontario. That is certainly a very major concern.

Mr Hampton: Can you tell us why you would be concerned about fragmentation? I want you to touch on the health aspect. In other words, what are the repercussions and the impacts for us down the road if we fragment the public health system? I also want you to touch on the cost to health care or the cost of health care if we don't pay sufficient attention to public health and we allow this piece of legislation to fragment public health.

1810

Ms Jacobson: There are a number of issues. Dealing with the cost first, with the area services boards, right now there are seven public health units in the north. There's a potential of having more public health units. Public health, when they deal with health issues, deal on a population-based issue and the cost goes down the more people they can deal with, up to 250,000. The ideal numbers are 150,000 to 250,000 people. At 50,000, you're kind of getting borderline. Anything less than this and the costs almost become prohibitive.

What you will have a problem with is maintaining the professional services that you need and having the people get the appropriate data that you need to be able to do the trending. What may happen is that if you have an outbreak of meningitis, for example, it may take longer for that to actually be picked up by the various area services boards, if in fact they pick it up at all. You may actually have a widespread epidemic, and not just in the north, because if anybody travels south, as we've said, these bacteria will go with them and you can have all of Ontario impacted. Then of course you're looking at a significant cost.

Mr Hampton: You say a significant cost. The lesson I've always been told is that prevention always costs less, and public health is essentially about prevention. If we fragment the prevention system, what are the potential down-the-road costs for the health care system, and for all of us, I guess?

Ms Jacobson: For example, if you don't have all the children immunized for measles before they go to school, you can have an epidemic of measles within the school, therefore having to close the school, parents maybe having to take time off work. So you have a cost not only to the health care system. If the kids get very sick, you also have a cost to the employment system, people having to stay home and take care of them. So you have a number of costs. It's very hard to actually give you figures, because of course we don't have those costs now.

Dr Orovan: I think what you can say is that while it is not always shown that prevention is less costly than treatment, in the areas of public health and communicable

diseases we do have very powerful evidence that prevention is the most important factor in cost.

Mr Hardeman: Thank you very much for your presentation. First of all, I do want to thank you for your presentation and pointing out your concerns. I can assure you that there is no intention to have a two-tier public health system in the province or that this legislation in any way would detract from the quality of public health in northern Ontario, different from what would be in southern Ontario.

My understanding of the legislation, and I'm sure the authors of the actual document will study it deeper, is that as the minister approves an area services board to take over the public health function, at that point in time he could include the direction that they would be considered a board of health, recognizing that if an area services board was put in place that did not cover the area that's presently covered by the board of health, that board of health could stay in place and the new area services board could purchase the service from that board of health. At that point in time, of course, if the legislation said that any area services board that takes over that function must be a board of health, we would then have two — the requirement of two boards of health legislatively, two medical officers of health, and two structures to service that same area that's presently being done by one board of health.

The intention here is, of course, that they could carry on the function. The responsibility could go to the area services board, but the function could be maintained by

the present board of health and could be purchased. I recognize the OMA's concern with that, and we can assure you that the ministry will be looking at whether some of that change needs to be made, because again no one, at least on the government side, wants to have a public health care system that is different in northern Ontario than it is anywhere else. We want quality service for all the residents of the province.

Again I think the minister, as he approves area services boards, does not have the ability to override the Health Protection and Promotion Act. He has to follow the direction in that act, and he must provide those services if he approves that area services board. Again, if he didn't actually declare them a board of health, he would have to see that they provided the services in the same way that a board of health did, including the medical officer of health and how they would provide the services.

Again, it may need some clarification and we appreciate your coming forward and pointing that issue out. At the present time, the intent of the legislation is to do exactly what you're suggesting.

Dr Orovan: I'm reassured to hear that about the intent, but I'm sure you would agree that wording is important, and that is not explicitly stated.

The Vice-Chair: Thank you very much for coming before us today and bringing your presentation.

This concludes the formal presentations for this afternoon. The committee stands adjourned until tomorrow morning at 9:20 in Sault Ste Marie.

The committee adjourned at 1816.

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Mr Gilles Pouliot (Lake Nipigon / Lac-Nipigon ND)

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Deuxième intersession, 36^e législature

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Northern Services
Improvement Act, 1998

Comité permanent des affaires gouvernementales

Loi de 1998 sur l'amélioration
des services publics
dans le Nord de l'Ontario



Chair: John R. O'Toole
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 12 August 1998

Mercredi 12 août 1998

The committee met at 0920 in the Holiday Inn, Sault Ste Marie.

NORTHERN SERVICES
IMPROVEMENT ACT, 1998LOI DE 1998 SUR L'AMÉLIORATION
DES SERVICES PUBLICS
DANS LE NORD DE L'ONTARIO

Consideration of Bill 12, An Act to provide choice and flexibility to Northern Residents in the establishment of service delivery mechanisms that recognize the unique circumstances of Northern Ontario and to allow increased efficiency and accountability in Area-wide Service Delivery / Projet de loi 12, Loi visant à offrir aux résidents du Nord plus de choix et de souplesse dans la mise en place de mécanismes de prestation des services qui tiennent compte de la situation unique du Nord de l'Ontario et à permettre l'accroissement de l'efficacité et de la responsabilité en ce qui concerne la prestation des services à l'échelle régionale.

The Vice-Chair (Mrs Julia Munro): Welcome to the public hearings of the general government committee on Bill 12. I'd like to welcome you all here this morning.

Mr Bud Wildman (Algoma): Madam Chair, I'd like to take this opportunity to welcome the members of the committee to Sault Ste Marie and Algoma district and hope that we have a productive morning and that the committee is able to hear the comments of local representatives of various communities about the services board legislation. I look forward to the opportunity to participate in the committee this morning.

ALGOMA HEALTH UNIT

The Vice-Chair: I'd like to call Algoma Health Unit, Allan Northan. Good morning and welcome to the standing committee on general government. You have 20 minutes in which to make your presentation. You may use all or part of that. If there's time available, we'll have questions from the caucus members.

Mr Guido Caputo: Madam Chairperson, committee members, my name is Guido Caputo and I'm a city of Sault Ste Marie representative on the board of the Algoma Health Unit. Currently, I am its elected chair. May I take this time to welcome the committee to Sault Ste Marie.

Dr Allan Northan, the CEO and medical officer of health for the Algoma Health Unit, and myself will share in this presentation this morning. It will be short, as we will focus on three key concerns. I will address one and Dr Northan will address the remaining two.

Area services boards should not fragment public health. In Algoma two DSSABs — that's district social services administration boards — have been announced, one for Sault Ste Marie and nearby northern areas, and a second for the rest of Algoma. The first DSSAB would have a population of approximately 90,000, and the second about 35,000. At present, the Algoma Health Unit serves the combined population of these two DSSABs.

Since area services boards are derived from DSSAB precursors, Algoma has the potential to have zero, one or two area services boards. Clearly, if there are any area services boards in Sault Ste Marie in the Algoma area, the health unit would be fragmented. Fragmentation will not enhance public health. Rather, it would detract from the quality of services. It is unclear how a health unit would function for a small, spread-out population of 35,000.

If I could also add, the Health Protection and Promotion Act that the health unit works under also requires that each health unit have a medical officer of health, so we would be requiring more medical officers of health.

Dr Allan Northan: I'll just carry on with the next two points. We will be brief, so we hope there will be an opportunity for some interaction.

The second point we want to make is that if Bill 12 is passed into law, public health should be an optional, rather than a required, component of an area services board. One reason for not including public health is the potential for fragmentation that Guido already mentioned. Just to add to what he said about fragmentation, it's been studied in terms of what is a functional population size for a health unit, and 100,000-plus is a functional population for an effective unit. What would happen if you had two area services boards is you'd end up with one board of about 90,000, which is minimally close to the 100,000, and another one way down at 35,000, which wouldn't be effective for running a health unit.

The second point, related to being optional, is that there isn't a clear fit for public health within the package of services you're asking to be required services of an area services board. I'm not really sure why public health is put on the "required" list. It just doesn't make sense to me. When I'm finished my presentation I would like to get

some feedback from this group as to what reason there might be for a requirement of public health being part of an area services board. I could see that if perhaps there were 12 small health units in Algoma and you wanted to consolidate them to make two to fit the area services boards that would be here, but when there already is one health unit for the whole district, it doesn't make sense to break it up.

The third point we want to make is that health units operate under the Health Protection and Promotion Act of the Ministry of Health. That's Ministry of Health legislation. An area services board would function through legislation related to another ministry: the Ministry of Northern Development and Mines. There is a potential for dysfunction if the public's protection provided by the Health Protection and Promotion Act comes into conflict with the direction provided through Bill 12.

What I'd ask as a second question to this group is, can the public be guaranteed their health will not be compromised by Bill 12? That is to say, the potential of conflict between two pieces of legislation by two different ministries could cause problems. I'd also like to hear a comment on that.

The two questions I put out are: First, why would this committee feel that public health should be a required component of an area services board, and the second one is, is there a guarantee that if this legislation goes forward and there were area services boards, there would not be a conflict between the Health Protection and Promotion Act and this piece of legislation, so that health would not be compromised?

The Vice-Chair: Following the rotation from yesterday, we will begin with the NDP.

Mr Wildman: I thank you very much for your presentation and for allowing us time to have an interchange.

I'd like to follow up on two of the three matters you've raised: the fact that there are two district services boards that have been imposed on Algoma, keeping in mind that there were discussions among the municipalities that led to the recommendation for that, and your concern that this might lead to the formation of two area services boards, which would then mean, you think, two health units.

Dr Northan: As I see the legislation coming forward now, yes.

Mr Wildman: That would mean two medical officers of health and a duplication of services when there is one health unit providing services and one medical officer of health for all of Algoma district now, including the city of Sault Ste Marie.

Dr Northan: Exactly. That's the whole fragmentation concern that I have.

Mr Wildman: The other one is the concern of the public's health being compromised. I won't follow up on the question you raised specifically about two pieces of legislation that could conceivably at some point be in conflict, but rather the question of funding. Do you foresee any difficulties in ensuring that there remains adequate funding, considering the other changes that are taking place provincially, with downloading of costs and services to municipalities?

Dr Northan: Funding is always a worry. I'm not really clear how the funding might be compromised, but as we've worked now as a district agency, we've got funding that really helps every person in the district; the whole population of the Algoma district is taken care of. If you have two pieces, I'd start to worry that one piece would cry poor and the other piece would be better endowed, so then you'd see within Algoma some services being better funded than others and therefore a division in terms of equal access to the equity of service. I'm not sure if you're getting at that, but that would be a concern.

0930

Mr Wildman: So the area that has 90,000 people, the current DSSAB, which includes the city of Sault Ste Marie and the area immediately north, as opposed to the area that includes 35,000 people, could conceivably end up with a situation where they would have better services than those that just serve the small communities.

Dr Northan: It's certainly possible where the funding base is 35,000, especially if that's an area that doesn't have a lot of financial base; it could be a problem. You're not protecting the average person by everybody pitching in; you're getting down to a smaller unit, and if that smaller unit can't foot the bills, it could create an adversity.

Mr Wildman: Chair, if I could just direct a question to the parliamentary assistant or to staff, is Dr Northan's interpretation, that if there were two area services boards there would have to be two health units, two medical officers of health, correct, or is that not your view?

Mr Ernie Hardeman (Oxford): No, in the government's view and the intent of the legislation — I believe the legislation outlines that — the area services boards, in their proposal to form the board, would have to point out how they were going to deliver public health services. To justify the existence of an area services board, it would have to be that they were going to be able to deliver it in a more cost-effective and efficient manner than it was being delivered in. I don't think it's realistic to believe that anyone would come forward and say that you could fragment the present boards of health into two boards with two medical officers of health, two administrations and propose that this was going to be more effective and efficient. The minister would have the opportunity to refuse to accept the area services board on that premise, that it was not going to achieve the goal of area services boards.

It would be quite possible to have the minister or the proposal propose to have the service of the present boards of health continue in their present form and have them provide the service of public health to more than one area services board. So even though they were responsible, they do not have to be self-delivering of that service. They could, in an area services board proposal, propose to have the public health services delivered in the same manner they are now by a district board of health, with everyone paying proportionately their share of the cost of doing that.

Mr Wildman: If I could just ask one other question, then — I guess a two-part question. First, could the

parliamentary assistant explain why on earth public health services should be provided in this way, rather than the current system, how he thinks this is going to be more efficient? Second, is it likely that since we now have in Algoma district two DSSABs, the ministry would move to one area services board if the municipalities voluntarily agreed?

Mr Hardeman: I'm not sure I could totally answer your question. First of all, as far as the ability of an area services board to find ways to more cost-effectively deliver the quality services that are mandated under the Health Protection and Promotion Act is concerned, I think it would be something where the local people would come up with a proposal to design for their local needs. They may be able to find a more cost-effective way of providing that quality service; they may not. If they cannot, then in an area services board they could continue providing it in the efficient way it is now being provided. That option is left for the local people to make a decision on how best to deliver. I want to re-emphasize that the obligation to deliver that quality service remains. They cannot take over the function of public health and then not deliver it, according to the standards of the Health Protection and Promotion Act.

Mr Wildman: Do you think an area services board could more efficiently deliver services in public health?

Dr Northan: Not as I understand it right now, especially if there were going to be two of them. I wouldn't see it as being more efficient.

Mr Peter L. Preston (Brant-Haldimand): I want to thank Bud for clearing up one thing I was going to clear up for you, and that's the one against two. But I do understand your concern about fragmentation. I understand your concern about the dilution of public health.

We heard a very impassioned and articulate speech yesterday regarding the gradual lowering of percentages of money that public health is getting because it's not dramatic, because normally there are not immediate results that say, "Here, look what we've done." We probably have to wait 10, 20, 25 or 30 years to reap the benefits of what public health does during its normal day. This is not a problem of this government or of this province; it's a problem that's endemic right across North America. It's a problem that all governments in the last 25 years are responsible for.

Regardless of whether your area services board decides on one or two or how many, or how they're going to propose to run public health, I think it's the obligation of everybody here and everybody in government regardless of their stripe to be concerned about public health, because it will only save us money in the long run. That's probably longer than I'm going to be here to see, but still, my children and grandchildren will be here.

How do we go about increasing the profile of public health? That's my question. How do we get public health back to where it's supposed to be? I think part of the fault has to belong to public health too.

Dr Northan: Yes. You can never put blame in one place; it's spread around. If you've got concerns, they have to be addressed by more than one area.

One concern in the political arena is the whole change in funding, where public health is a provincial and even a federal responsibility and interest. To put it down to the municipal level is certainly inviting the kind of thing Mr Wildman was suggesting of inequities across the province, where you've got some municipalities that have the ability to easily fund a service that is, as you say, going to pay out great dividends down the road, and others that are looking at things day by day and don't have so much money may decide to cut back on a service that doesn't seem as vital to them right in the here and now but will cause them problems down the road. So the funding source is one of the areas of concern. If it is provincial, there is probably more guarantee for equity across the province than municipal.

As far as your question about what public health can do to increase its profile, that's something public health is dealing with day by day. As you say, when the outcomes are down the road, it's much harder to get people as aware of the value of the service than when it's immediate. When we get a meningitis situation and somebody is well one day and not here with us the next, then people really value public health and vaccinations and so on, but when you talk about longer-term things like tobacco programs and so on, where if you can reduce the number of people smoking you're going to have great benefits down the road that are going to save money and add to the quality of life, they're not as tangible in the here and now. Trying to get people to understand that is one of the jobs of public health.

Mr Rick Bartolucci (Sudbury): A few very short questions to our presenters, and thank you very much for presenting. In a follow-up to Mr Preston's comments, if you want to raise the profile of public health, do you think making it a core service, as this act does, raises the profile or hinders the raising of that profile?

Dr Northan: One way of answering that is that in the past, many public health units had home care services, and governments felt that home care didn't have a high enough profile because it was mixed in with public health. As it got bigger, all three parties that were in government looked at home care and decided it should be pulled out on its own, under its own board, to have a higher profile. That was a decision that all governments thought made sense.

The same rationale is there for public health. If you put us into a bag with six other services, then you get lost and the profile is not as well supported as if you have what we have right now, an independent board that takes our issues solely and directs them. Mixing us into an area services board could detract from our importance.

0940

Mr Bartolucci: One final question before I turn it over to Mr Brown. If the government is to try to do this consolidation, do you think it would be better done in some workable and fundable form of an integrated health services model?

Dr Northan: Certainly integrated health services have been put forward in the last couple of years in particular,

but even before that. Public health would be better integrated within health than trying to integrate it within services outside of health. There has to be integration of all systems, but if you're going to integrate within a system, we should be integrated within health in particular, not pulled out of health and put somewhere else.

Mr Michael A. Brown (Algoma-Manitoulin): Thank you for appearing, Dr Northan. I want to come back to the funding question and the possible inequities that I can see when you look at two DSSABs in this particular area or any area and the accountability questions that will come out of that, and also your responsibility to meet statutes that define what you need to do as a health unit that are provincially imposed and the opportunities for poorer service in particular areas because of the assessment, how much property tax there is to get out there, because what we're talking about is moving this health service directly to the cost of the property taxpayer. I think we sometimes miss that when we do this. This is not a municipality that's paying the bill; this is the property taxpayer who is paying this bill.

In structure, it would seem to me that the health unit would have to meet provincial statutes, would have to provide the service equally. So essentially the health unit board would have to impose costs that are appropriate to provide service to the whole district. Where is the accountability, then, to the DSSAB? How much of each bill do you send to the Sault Ste Marie one and how much do you send to the Algoma one? I think this is going to be a hugely interesting political situation at the local level.

Dr Northan: It could be. With a DSSAB we wouldn't have to, but if an area services board came out of a DSSAB, then yes, there would be that possibility. Right now it's per capita across the district, which means everybody contributes equally. If you start to break it up into the two pieces and somebody starts to think they don't want to pay as much as the other part because they don't have the property tax base or whatever the reason is, then we get into the kind of problem you're suggesting. I'm not sure how you resolve that so that you deliver the service as required by the Health Protection and Promotion Act so everybody gets their equal share. If they're not putting in their equal money, that does become a problem.

The Vice-Chair: We've run out of time. We appreciate the opportunity to hear your concerns. Thank you.

ALGOMA DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

The Vice-Chair: I'd like to call upon the Algoma District Social Services Administration Board, David Court, director. Good morning and welcome to the standing committee. Please begin.

Mr David Court: Thank you for this opportunity to speak to you about the Northern Services Improvement Act. The board appreciates the government taking the time and expense to travel through the north for additional input. We also appreciate that this legislation resulted from extensive consultations undertaken by the Ministry

of Northern Development and Mines. The board also notes the significant input which the Federation of Northern Ontario Municipalities and the Northwestern Ontario Municipal Association had in the development of the area services board concept.

We believe this legislation is key to the development and efficient delivery of a broad range of services in northern Ontario. This new legislation has the potential for far-ranging beneficial impacts on municipal governments and the users of government services in the north. The Algoma board supported the ASB study process in the local area both by resolution and by participation in a local feasibility study.

Nevertheless, the board is concerned about two features of the proposed legislation. The two areas of concern are the process for determining local support for the founding of an ASB and the process for raising municipal funds for the ASB's operation.

Determining local support: In the initial consultation meeting and in the consultation paper distributed in August 1997, it was made clear that the formation of the area services boards would be voluntary. On several occasions, it was stated that ASBs would only be created if there was a double majority support at the local level. Specifically, there needed to be a majority of the municipalities representing a majority of the population who supported the creation of the ASB within that particular proposed service area. The double majority rule has broad support at the municipal level.

A great deal of the support for ASBs is based on the establishment of these entities on a voluntary basis. The Minister of Northern Development and Mines and staff of that ministry have consistently assured municipalities that ASBs will only be formed on a voluntary basis. The Algoma board does not in any way doubt the sincerity of the present minister or the staff of that ministry. Our concern is that the act, as proposed, could allow successor governments to impose an ASB without a proper indication of local support.

Subsection 37(1) of the act states, "One or more municipalities or local services boards or the residents of unorganized territory may make a proposal to establish an area services board...." The proposal must be by a report which meets criteria set out in the act.

Subclauses 37(1)(a)(vi) and (vii) of the act state the report must contain:

"(vi) the degree of support of the municipalities and local services boards and the residents of the unorganized territory in the board area required to make a proposal to the minister to amend an order and the manner of determining that support, and

"(vii) other matters that the regulations require be dealt with in a proposal or that may be dealt with in an order."

Subclauses 37(1)(b)(i) and (ii) go on to state that the proposal must have "the prescribed degree of support...determined in the prescribed manner," but do not state what that degree of support is.

We believe the open-ended nature of this section of the legislation could lead to the non-voluntary establishment

of ASBs. We believe the crucial issue of how local support is determined needs to be clearly articulated in the act. We do not feel that such a key component should be dealt with in the regulations, where it could be easily changed without the matter coming forward for full debate.

Since the legislation indicates that ASBs, once formed, cannot be dissolved at the local level, it appears prudent to have the ASB formation process above reproach. Such a powerful and far-reaching piece of legislation needs to ensure that establishment of an ASB is not done at the sole discretion of the minister or government of the day without opportunity for full public debate.

The other issue is taxation models. The local consultations put on by Ministry of Northern Development and Mines staff outlined several models for the raising of the funds to support the ASB for the delivery of services. These models included levying costs to individual municipalities and direct taxation of property owners. We fully understand that some areas clearly favour direct taxation while others may prefer the levy model. The levy model has been in place for many years for a number of services in the north, including homes for the aged, public health and district social services. The consultations led us to believe that the taxation model could vary from one ASB to another and need not be consistent across the north.

The legislation outlines two taxation models. One model is based on direct taxation and one is a levy model. We understand that either model may be chosen.

The board is concerned about any taxation model which would result in individual property owners receiving two tax bills. At a time when efficiency and streamlining of delivery are key issues, it seems counter-productive to establish any system which could see a property owner being faced with two tax bills. We appreciate the increased accountability inherent in direct taxation, but feel that other options should be explored.

We concur that a levy system based on a locally driven and locally supported cost allocation agreement should be an option for the ASB. The local member municipalities in the ASB area should be able to allocate costs for services based on locally agreed formulae. In this model, different services could be shared based on criteria which make sense for that particular service. These local arrangements should need a double majority local consent prior to implementation. In the absence of a double majority local consent, weighted assessment would be the basis for division of costs. This model would be similar to the recent amendments to the district social services administration boards act.

The other option that would result in a single tax bill would be the adding of taxation as one of the ASB services. In this scenario, municipal governments would determine their local funding needs and forward the request to the ASB for collection. The ASB would send out a single tax bill setting out which portion was for ASB services and which portion was for local services. There is considerable opportunity for cost saving with a single taxation entity for the ASB area. Unfortunately, sub-

section 42(5) does not allow for the contracting out of taxation services. If the ASB selects this funding model, it will need to set up its own system to do so. It seems logical to allow total municipal tax collection to be an ASB service.

Summary: Thank you again for the opportunity to provide input. Please accept these concerns and suggestions in the positive and constructive manner in which we present them.

0950

Mr Hardeman: Thank you, sir, for the presentation. First I want to go to near the end of your presentation, dealing with the taxation and the options put forward in the legislation, recognizing that this is a piece of permissive legislation, that area services boards will only be formed, both in places with no municipal government and those with municipal government, where they decide they want to implement one. They get to decide. As they do that, they will be asked to put forward a proposal outlining the area that's going to be covered by this area services board and how the governance of that area services board will operate, to make sure we have fair representation and accountability, and they will be able to put forward how they propose to pay for those services. That's where the government sees the options in place, whether it's by levy or whether it's by taxation. They would put forward that proposal.

Since either way the services will be paid for, do you not see that that proposal is appropriate, to let the local authorities decide whether it should be direct taxation or a levy on municipalities?

Mr Court: Absolutely. I think a lot of board members responded from a very personal basis. The problem is they just couldn't see a property tax system in which they're going to deal with two property tax bills. We discussed how we could avoid that, and one way to avoid it is the levy model. We're suggesting that another way to avoid it is to simply add taxation as one of the additional discretionary services under your list of services for the ASB. In that model again you would need double majority consent of the local municipalities to do this, but if there was double majority consent — these bills can go either direction, if you like: They can go from the ASB to the municipalities or they can go from the municipalities to the ASB.

Mr Hardeman: I would suggest that if the proposal was coming forward to the minister and it was going to send two tax bills to the areas where we have municipal government, that would not meet the criterion of finding a more effective and efficient way of delivering a service. I don't think there is anyone in the north who would believe that two tax bills are cheaper to send than one. I would envision that in any application coming forward — again, it's a local option — that the proposal would be to have the area services board send out the tax bills where there is no municipal structure, to do that where there presently is no tax bill going out, and in the area where there is a tax bill that they would propose to add their levy onto that tax bill. Anything other than that I would see as contrary to

the total reason why the local people would be wanting to set up an area services board, which was to find a more cost-effective and efficient way of delivering services.

When the local people put that in place I think they will find the most effective way of doing that would be, I would suggest, one tax bill. The bill is cognizant of that and encourages that as the process they would use, because it would be a cost-effective and efficient proposal.

To quickly go to another issue — you were here, I take it, for the previous presenters — the issue is partly with the taxation, part II, the issue of boards of health setting expenditures in a large geographic area. The cost of that will be attributed, in great part, to areas where we also have local government. Do you see a problem with the accountability? I want to say that I served for quite a number of years on a board of health and I think all people on boards of health are very cognizant of what they're doing and are doing a good job. But do you see a problem with accountability? How do the taxpayers hold the board of health accountable for their budgets?

Mr Wildman: Or the area services boards.

Mr Hardeman: Area services boards, incidentally — I'm glad Mr Wildman mentioned that — would be operated by elected officials, so they are accountable to the public. Boards of health are appointed.

Mr Wildman: Not in the unorganized.

Mr Hardeman: In the unorganized, the bill points out that they must be elected by the public, so they would be accountable in that way. So do you see a problem with the board of health issue?

Mr Court: I think it's broader than the board of health issue. As soon as you start to amalgamate any services, yes, you're going to get some efficiencies. Are you then going to have less local input and accountability? Yes, you are. The one comment I would like to echo from the health unit is that when I look at the range of services being considered, the one that jumps out in terms of "Why is it there?" is the health unit portion of it. The others are very much in the social service area and they are not in the health area.

When we got the initial Who Does What decision, we were expecting many things, but what we weren't expecting was 100% local municipal funding of public health units. That blew everybody out of the water, quite frankly.

Mr Michael Brown: You have raised some interesting points, Mr Court, and I'm really pleased you're here. I want to explore this taxation issue a little bit. Obviously, the bill that will come to municipalities from this cluster of services being downloaded to the property taxpayer will be significant. I hadn't really considered this before, frankly, but the amount of the levy that would come from the DSSAB in the organized municipalities would be considerable.

Mr Court: Absolutely.

Mr Michael Brown: It might be that local politicians in, say, Thessalon or Wawa or somewhere would really like you to send the tax bill out. The DSSAB, or an ASB following, may be the largest chunk of the taxes. There has always been this great debate heretofore about

education being on the tax bill, with all the municipal guys saying, "Gee, we should have two tax bills, because education is the larger portion." Boards of education never wanted to do that. I'm wondering why you think a DSSAB might want to do that, or an ASB following.

Mr Court: I think the group of services in the DSSAB is not going to be a majority of the local municipal tax bill, but if you look at the ASB and you start adding in some of the additional services, you could very quickly see that the majority of the tax bill could be the ASB. That's why we're saying there is some value to this argument that if you're spending most of the money you should maybe be collecting it. That's why that second option we're talking about — our only concern is that we don't want two tax bills. When the ASB is the major source of the expenditures, yes, maybe they should be.

Mr Michael Brown: I appreciate your comments on accountability. I think you're exactly right. Efficiency will mean less accountability to the local ratepayer, regardless of whether they're in an organized area or an unorganized area.

In your experience — you're really in the social services field — of the Algoma district versus Sault Ste Marie's, are you presently able to provide exactly the same services in the Algoma district as the Soo would be able to in their own configuration?

Mr Court: It's a very difficult question to answer, because in some respects we're actually able to provide a higher level of service in the district. Because there are fewer players in a place like Wawa, we can actually coordinate the services better there than they can be coordinated in a larger centre. You might get more in depth in some of the extreme levels of service, but in terms of coordination, I would argue you'll see greater coordination in Blind River than what you're going to see in many other places in Ontario.

1000

Mr Michael Brown: So what you're telling me is that bigger is not necessarily better.

Mr Court: No, and it's one of the upsides of being in small communities. If you're out of work and you need money you go into one door, and on one side of the room is HRDC services and on the other side of the room there is income support of a whole variety of services all working together. It's easier for us to do that in Blind River or in Elliott Lake, across from your offices, than it is to pull it off in the Soo, to be fair to the Soo. It's a lot more difficult to do here because of the numbers.

Mr Wildman: I want to thank you for your presentation. Just to deal with an aside first, let's deal with this issue of voluntarism. We all know that the government has imposed district services boards, DSSABs, and if the municipalities "voluntarily" want to form area services boards with wider powers they can do so. But whether or not they do, they're still going to have DSSABs, so there's voluntarism and voluntarism.

Also, I wish I had the same confidence the parliamentary assistant has in the discretion of the minister in

ensuring that he will do everything right for northern Ontario. We've experienced that over the last few years.

It certainly is true that once you add in the health unit, public health and ambulance services — nobody knows how much ambulance services are going to be — it's going to be an enormous bill.

Having said that, I'd like to deal with the two issues you raise. I'd like to concentrate on one particular area, where you talk about determining local support and the double majority.

Don't you perceive a significant problem in determining support or lack of support in the unorganized territories? There's nobody elected in the unorganized territories who has a mandate to express an opinion on behalf of those residents about area services boards, is there?

Mr Court: No, and we've already run into that problem in the construction of the board representation on the district social services administration board. We have to have representation from the unorganized. What we have attempted to do is broad public meetings. But at the end of the day, it is not like a municipal election.

Mr Wildman: So you've brought in a person, a very good person who's worked hard —

Mr Court: Yes.

Mr Wildman: — to try to represent the unorganized. But she is not elected by anybody in the unorganized community, is she, really?

Mr Court: The one we have now is a man, actually, a Mr Tremblay.

Mr Wildman: But previous to that it was —

Mr Court: Oh, for the discussion, it was a lady, yes. But there were public meetings called and we had as many people as we could get to a meeting. All those people from the unorganized elected from among their members.

Mr Wildman: But it was an ad hoc meeting, wasn't it?

Mr Court: Exactly. It's not a regimented process like you find in a municipal election. We're going to have to work on that. We're going to have to do something.

Mr Wildman: Yes. So whereas in the unorganized they do have representation on education boards, for instance, because they elect the trustee, they don't have anybody elected who has a mandate, either in the local roads board or a local services board, to actually say on behalf of the residents, "Yes, we agree with the proposal on an area services board," or "No, we don't."

Mr Court: I do know the ministry is looking at this, and I know that from our end we are working with Mr Tremblay, actually, to bring forward some suggestions on how we might do something similar so that there is a process that can't be —

Mr Wildman: And in terms of the double majority with the district services boards that were formed in this area, the double majority was Prince township and the city of Sault Ste Marie in this local one. It also includes all of the unorganized north of Sault Ste Marie, but the double majority was the two municipalities, essentially.

Mr Court: Yes.

Mr Wildman: OK. So I think there is a serious problem in determining how we find out what the people in the local communities in the unorganized territories think and how they're properly represented in this process.

The second one: On your taxation model, I understood the discussion and the reason for your proposal at the very end. But where you say here, "There is considerable opportunity for cost saving with a single taxation entity for the ASB area," and obviously, in terms of administration and collection and so on there would be, don't you think there might be some who would see that, if you had the option of the ASB collecting the taxes for everybody and then giving the municipalities their portion, I guess you'd also collect the education — no, I guess you wouldn't because of the change in the education system. Besides the question of local accountability, don't you think there would be some who would see that as a step towards regional or county government?

Mr Court: Certainly when we and the board of course looked at the Northern Services Improvement Act, yes, they read it as the first stage in some sort of upper-tier government. It has many of the powers. It's going to be spending a significant amount of money. It's going to have a fairly formal election process, no doubt. When we start to try and draw comparisons between it and a county we're finding more similarities than dissimilarities, and the taxation would add to that as well.

Mr Wildman: Sure. It is the most important power of the government, surely.

Mr Court: That's why we want it as an option.

The Vice-Chair: Thank you very much. We've run out of time. Mr Hardeman has clarification.

Mr Hardeman: I just want to clear up the issue there's been considerable discussion about, the two tax bills and so forth. Sections 49(2) and (3) clearly define that the board sets the taxation rate required in the areas they would cover, and section (3) says, "The municipalities shall levy and collect the amounts required by the board and remit those amounts to the board." So there is no ability for anyone to send out two tax bills.

The Vice-Chair: Thank you very much, Mr Court, for appearing here this morning.

UNORGANIZED TOWNSHIPS OF ALGOMA
DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD
TERRITOIRES NON ÉRIGÉES EN
MUNICIPALITÉ DU ALGOMA
DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD

The Vice-Chair: We'll move to the Unorganized Townships of Algoma District Social Services Administration Board, Gabriel Tremblay. Good morning, Mr Tremblay, and welcome to the standing committee on general government.

M. Gabriel Tremblay : Merci beaucoup. J'ai demandé d'exprimer mon opinion en français. Alors, mon

nom est Gabriel Tremblay. Je demeure dans le canton de Cobden, la partie du canton qui ne fait pas partie de Blind River.

Le 15 juillet, j'ai été élu pour représenter les territoires non érigés en municipalité qui forment le nouveau Algoma District Social Services Administration Board. Je représente présentement une population d'environ 2100 personnes.

Membres du comité, mesdames et messieurs, après avoir lu le projet de loi 12, Loi sur l'amélioration des services publics dans le Nord de l'Ontario, j'ai cru bon de faire une courte présentation portant sur ce projet.

1010

Je veux parler d'un point particulier, les services aux francophones de la région. Nous savons que la majorité des Franco-Ontariens demeurent dans le nord de la province. Depuis plusieurs années, les francophones profitent de plus en plus des services en français. J'ai lu dans le projet de loi 12 et j'ai remarqué qu'on ne mentionne pas, qu'on ne parle pas des services en français. Il est difficile pour moi d'aborder ce sujet dans une ville comme Sault-Sainte-Marie, qui s'identifie comme une ville de langue anglaise. Mais il appartient à vous, les membres du comité, de proposer des changements au projet de loi 12, des changements qui garantiront des services en français aux francophones du nord de l'Ontario.

À l'article 38 du projet de loi 12, je lis, "shall not derogate from standards for the provision of services imposed under any act."

Personnellement, cet article est vague et ambigu. Il est important d'intégrer un article à l'intérieur du projet de loi qui sera clair et catégorique et qui protégera les droits des francophones. Nous allons de l'avant en Ontario en ce qui concerne les droits des francophones, les droits des minorités. Nous avons fait un progrès remarquable dans les dernières années, et je suis fier d'être Ontarien. J'espère que nous allons continuer dans cette direction.

Ajoutons un article au projet de loi 12, un article qui démontrera aux francophones du nord de l'Ontario que le gouvernement de l'Ontario représente tous les Ontariens.

I would like to thank you very much.

The Vice-Chair: Thank you, and we'll begin with the Liberal caucus.

Mr Michael Brown: Thank you, Mr Tremblay. That's thought-provoking. We have seen — I forget the number of the bill; somebody can help me — where there was a great debate about providing municipal services in French.

Interjection.

Mr Michael Brown: That's right. It was an Attorney General's bill. I think it would be fair to say both opposition parties were quite adamant that the protection of minority language rights be included in that bill. One of the interesting things I don't think the government has considered very much is that their downloading of services to the municipal level, formerly services that were provided directly by the province of Ontario under Bill 8, the French Language Services Act, are now more and more being not only paid for but administered by municipalities. Whether the municipality is then under the same

obligation as the province would have been to provide the service to Franco-Ontarians in their own language is somewhat questionable I think in a lot of our minds.

For many of our municipalities, as I'm sure you're aware — you're from Blind River — those kinds of services are available at the municipal level but often more informally than formally.

You bring something to us this morning that is very important, and I think we'll need to ensure that those services are available. There are large areas of northern Ontario where providing the service in French is important.

I don't really have a question. I'm just happy you brought that to our attention on behalf of the people in the unorganized. Do you have any idea, in the unorganized, what kind of increases in taxation this entire package of downloading is going to bring to them? I'm hearing horror stories through mine but nobody has actually been able to quantify it.

Mr Tremblay: I don't think I could answer that question. It is so vague and so indefinite presently that I don't know where we are going. Even at the level of the municipality, I don't know where we are going.

Mr Michael Brown: Yes, I think it's even more confusing, though, to the people in the unorganized, which really have not much in direct representation or elected representation to deal with it.

Mr Tremblay: My concern today was especially the French. I represented at one time, many years ago, the town of Blind River on their home for the aged. I was not satisfied. I visited the home for the aged at that time and I could see some old people. I talked to them in French and it was said: "Shhh, you cannot talk that way, you are not allowed to here," and things like that. An old person does not even have the right to die in French.

I found that sometimes difficult. I know that in education we have been a lot better in services, but we had to fight constantly to get the policeman to come to our school and speak to grade 4 or grade 1 in his own language. We had to fight, we had to write letters to the province and so on to finally get those services. Now we have them. We are really going ahead, but we have to write it someplace, and it will be. We continue. We don't go backward. We have to stick to it and write it nice and clearly. Then those services will be provided to the French people.

Mr Wildman: Merci pour votre présentation. I'll switch to English, Gabby. You've raised a very important question and I want to deal with it. Then I want to ask you something about the unorganized as well, if that's all right with you.

I want to deal with your comment at the beginning of your presentation about coming to Sault Ste Marie to make that presentation. All of us I think recognize that under Bill 8 the district of Algoma quite properly is designated for provincial services. Your community, Blind River, Elliot Lake, Wawa, White River, Dubreuilville — particularly Dubreuilville — have very sizable francophone communities and all of us recognize the importance of providing services in Ontario to francophone citizens in

French as an official language of this country, and showing our neighbours in Quebec that we respect the rights of both anglophones and francophones in Ontario. Your reference to Sault Ste Marie is apropos, but I think all of us people of generosity understand the importance of provincial services being provided in French in areas where we have significant francophone populations.

Having said that, as my colleague indicated, there is a significant problem with this government's downloading in that they have not dealt explicitly and clearly with the question of services that were previously provincial services, which under the download, whether it's under this legislation or justice legislation or municipal legislation, become municipal services. The question is, will services that were required to be provided in designated areas in both languages continue to be provided in both languages if they become municipal services? If they will, how will the funds required for that be provided?

It's my view that the provincial government has an obligation to ensure that those services remain available in both languages and it's an obligation of the provincial government to fund that as a commitment to the unity of this country and, as well, as a commitment to the services of our Ontario citizens.

Having said that, I ask the parliamentary assistant directly if the government is prepared to accept the proposal of Mr Tremblay on behalf of the francophones of northern Ontario to put an explicit amendment to this bill which would not just not derogate but would state explicitly that services that were provided, such as public health and ambulance services, by the province in the past, and which were available in both languages under Bill 8 in Algoma district will continue to be available in both languages and the costs will be funded by the provincial government?

Mr Hardeman: Going through the public process of hearings on this bill to hear the parts of it that will work in the opinion of the presenters and the parts that need amendment — we are here to hear those comments. I cannot speak as to what amendments will be put forward or how they will be written, but I can assure you that the comments being made by all the presenters will be taken into consideration as we go back and do clause-by-clause of the bill, to see whether changes need to be made or should be made and how they should be made. I can assure the deputant that his comments are being taken into consideration and will be looked at as to the appropriateness of making amendments to the bill.

1020

Mr Wildman: Can I add just one thing? Our experience under the downloading of justice services to the municipalities does not give me encouragement that the government will do this because they refused at that point to do that.

Having said that, I want to raise the other question, about the unorganized. I recognize that you are a municipal councillor of long service in Blind River.

Mr Tremblay: But I do live in the unorganized township.

Mr Wildman: Yes, I understand that; I was just going to raise that. Do you experience any difficulty in finding out the views of the people living in unorganized territories — let's say, in Oba or in Missanabie or the areas like Ophir or Poplar Dale — recognizing that you yourself live in an unorganized area near Blind River?

Mr Tremblay: Yes, it would be very difficult. I agree with you. But I don't know if it would be possible to travel in the region and ask —

Mr Wildman: Exactly.

Mr Tremblay: — at that time maybe the board. We've just started the process, so I think it's impossible. I would have to travel and meet those people and listen to their concerns.

Mr Hardeman: Thank you very much for your presentation and bringing forward this important issue as it relates to the francophone community in Ontario. I do recognize that the bill does not speak directly to French-language services as it relates to those areas of the province which are predominantly in the north and how that will change or not change in the bill as it relates to the provision of French-language services.

Mr Wildman just mentioned the issue of the government refusing to deal with the French-language services in the transfer of provincial offences to municipal responsibility. In fact, the government did deal with the French-language services in that bill. As the services will be transferred, that will be in a memorandum of understanding with the receiving party, which of course would be the municipal government. In the memorandum of understanding, in receiving those revenues, they must commit to providing the services in the language in which they were being provided by the provincial government. I think in that area it has been covered. It has not been done in exactly a consistent manner with what some of the members of the opposition would have wanted us to do, but we do recognize the needs of the francophone community and their rights in receiving the services in their language, so that is accounted for.

In the core services that are in line for being transferred to the area services boards, most of those services are presently delivered by municipal government. I would think in most cases, and you could correct me if I'm wrong, where the francophone population is there to a significant degree, the local government has been doing a reasonably good job in providing the services in the language of their population. I've had the opportunity to be in Blind River a number of times and the use of the French language is quite prevalent, not only in the population but in the municipal services that are being provided.

Do you see anything in Bill 12 that would suggest that municipalities or the people involved in providing these services will not do a good job of providing them in the French language, or is there anything there to indicate that the local people will not provide services in the way their population want them?

Mr Wildman: To be fair to Mr Tremblay, there is a historical argument —

Mr Hardeman: I'm not here on a historical mission. I'm here to talk about Bill 12. I'm just wondering, Mr Tremblay, if there's anything you see in this bill —

Mr Wildman: In the very recent past —

Mr Hardeman: Mr Wildman, it is my turn. I accept and appreciate your comment that there is nothing in the bill that promotes further use of the French language, but do you see anything that detracts from it?

Mr Tremblay: No, I don't see anything that detracts, but I would like to be sure that those services are provided. Putting it in the bill, what is wrong with referring to Bill 8 or whatsoever to make sure that those services continue to be given to those francophones? I would like to see some teeth in the bill that say, "Yes, you have to provide it." I don't want to leave it to the municipality. I want to see it as a part of the law: "Here is the law. You have to provide it. It is not a choice."

Mr Hardeman: I guess the reason I bring it up is I want to make sure that we're all on the same wavelength. The services that are presently being delivered by municipal governments, even though they're primarily funded by the provincial government, are not covered under the provincial mandate of the language being provided. The municipalities are providing them in the French language, and I'm sure they are in Blind River. Are you suggesting that this is an opportune time in the bill to say, "We are going to provide more French-language services," or, "We're going to obligate municipalities further in the language issue"?

Mr Tremblay: Neither. We are going to oblige the municipality to provide those services. I'm not saying that we want to increase those services. There is some amelioration to make in some of the fields. I know. I've been an educator for 30 years and often we had to write to the province and say: "Hey, that service is not provided to us. The OPP's coming to our school, he cannot talk in our language." We had to do that many times, write to the Attorney General. Why? We had to fight constantly for what was supposed to be given to us. We refused certain of their programs because they could not give them in our language to our children, to talk about safety and security to our four-year-olds. The poor kid comes from a French family and the officer talks only in English. We had to go back to the province and say, "No, he should give those courses or those presentations in French."

I hope at some date it would be a part of the law that you have to do it and we don't have to go back, that it would be a part of the bill.

The Vice-Chair: Thank you very much. We appreciate your coming forward today.

MUNICIPALITY OF CENTRAL MANITOULIN

The Vice-Chair: I'd like to call on the Municipality of Central Manitoulin, Perry Anglin. Good morning and welcome to the standing committee on general government.

Mr Perry Anglin: I'd like to thank you and all the members of the committee for this opportunity to address you on behalf of the council of Central Manitoulin.

I should also say that I've been asked by the heads of some other municipalities on Manitoulin to say that they endorse the brief you have in front of you and that I'm speaking for them as well. They include the municipalities of Northeastern Manitoulin and the Islands, Assiginack, Tehkummah and Billings. Several other heads of municipalities have told me that they would recommend to their councils that they too are endorsing this and so we will confirm in writing to the committee the full slate of Manitoulin municipalities on behalf of whom I'm pleased to speak this morning. If my brief's a little long, perhaps you'll bear with me because I'm talking for five or six at least.

1030

Central Manitoulin is one of some 12 townships and six first nations that make up Manitoulin. Known as the largest island in the world surrounded by fresh water, Manitoulin is about half the size of PEI. It has a summer population approaching 50,000, with a year-round population somewhat less than a third of that number. Unlike the resource-based economy of the districts of Algoma and Sudbury, Manitoulin's economy is based largely on farming, tourism, and services to the many cottages located on more than 100 lakes.

Of greatest relevance to Bill 12 is that our incomes on Manitoulin are well below the provincial average, among the lowest in Canada, in fact, but our reliance on social assistance is also proportionately smaller than on the mainland communities adjacent to Manitoulin.

Bill 12 is part of a disturbing pattern of creating very large units for governing northern Ontario. This pattern threatens to reduce the level of services in northern Ontario and the ability of citizens to have a say in how they are served by government. For Manitoulin, this pattern includes:

First, diluting our representation in the Legislature by adopting the boundaries of a federal electoral district as large as New Brunswick.

Second, reducing our influence on our children's schooling by forcing us into the consolidated school board covering a huge region and dominated by urban Sudbury.

Third, impeding our input to health care planning through amalgamation of district health councils representing four territorial districts, an area so large that no one in it can relate personally to the health needs of its communities.

Fourth, extorting municipal amalgamation, which can be costly, by threatening to impose amalgamation arbitrarily.

Fifth, creating new regional governments in northern Ontario — the subject today — with powers to tax and deliver services previously delivered more efficiently by the provincial and municipal governments.

Granted, these changes have reduced the cost of stipends for our members of the Legislature, our school trustees and the councillors in amalgamated municip-

alities. The savings are minor, though, and insignificant as a proportion of program costs.

A corresponding cost has been to reduce good communication between citizens and their governments. Based on my own experience of working in all three levels of government in a senior capacity, I believe that good governments welcome good communication, and profit by it, rather than treating it as an expensive nuisance.

The provincial government has said that it wishes to consolidate services regionally in order to achieve administrative efficiency and to improve service. Unfortunately, area services boards under Bill 12 will do neither; nor will their predecessors, district social services administration boards.

I believe that it is widely understood by experts on public administration across Canada that new regional governments do not save money by delivering services more efficiently. Area services boards would in fact break up efficient, province-wide administration for programs such as police, ambulance, social housing and public health. Right now, the administration of these programs is tailored to efficient administrative districts, with common management and political direction from Queen's Park. In what you could call "deconsolidation," the government is creating 11 new governments in northern Ontario, and adding responsibilities, each with its own overhead costs, to about four times that number in southern Ontario. The government is then force-fitting all programs into the boundaries of the new regions, regardless of what makes sense for each program.

With social assistance programs, there are some modest savings that can be achieved by co-operative arrangements between local governments. We have already achieved this among six municipalities on eastern Manitoulin Island, a model that could well serve all of Manitoulin.

But our analysis demonstrates that by getting larger than that, administration becomes less economic, as civil servants have to waste resources administering each other, with multiple layers of management and other overhead costs.

It is ironic that delivery of Ontario Works, which calls for community involvement, is being moved further away from municipalities to new regional governments that will be dominated by distant bureaucracies.

To my mind, regional governments are so clearly uneconomic that it begs the question of why they are being imposed.

I think this government probably got into this almost inadvertently. It decided to centralize education and chose to transfer the costs of some other programs to municipalities. At that point, municipalities in southern Ontario insisted on more say about the delivery of programs that they would be paying for in whole or in part. So the government agreed to turn over administration, but only to regional governments, so that administrative costs, though higher, would not get completely out of hand. It also chose, however, to insist that Queen's Park continue to set minimum standards. All of this means, unhappily, that we

have lost the efficiency of province-wide common management and the common sense that comes by keeping policy-making and program delivery together.

Unfortunately, the southern Ontario formula is being imposed in northern Ontario even though it makes very little sense for the widely scattered communities of the north, whose interests vary considerably and whose tax base is insufficient to finance their share of the present standard of service without provincial grants.

With little or no evident involvement by the Minister of Municipal Affairs, who should understand our circumstances, much of the programming for which we will collect taxes will be uploaded to regional government. These regional governments are driven first, astonishingly to my mind, by the Minister of Community and Social Services, primarily for Ontario Works, and tax collection — the rest is, at the outset, largely bookkeeping — and later under Bill 12, through area services boards, which will be determined by the Minister of Mines and Northern Development.

We are told that northern municipalities wanted regional governments, and would have a say in how they are created. From where I sit, neither statement is true.

The government has so far not honoured its stated policy on how the regional governments would be formed. The government stated this year, in *Who Does What: Toward Implementation*, "Municipalities and unincorporated areas in northern Ontario have the flexibility to choose their own partners and geographic boundaries for consolidation, as long as about 10 municipal service managers result."

It also said in that document: "The province will approve a consolidation arrangement if it is consistent with the policy and has the support of the municipalities and unincorporated areas involved."

Let me tell you what happened to us on Manitoulin, which is one of the 10 long-standing districts under the Territorial Division Act, and the only one, unless you count the district of Sudbury, that was denied an application for a DSSAB. Accepting the inevitable this past winter, the municipalities on Manitoulin worked to meet the government's stated objectives. The Manitoulin Municipal Association, representing all our municipalities, unanimously recommended that we apply for a Manitoulin-only DSSAB. Study groups we attended along with Algoma representatives and Sudbury representatives — two separate study groups — also concurred in a model that would have a Manitoulin DSSAB. In time for the deadline, Manitoulin municipalities, with one curious exception, voted for that model and with near unanimity confirmed a double majority for it.

The Manitoulin Municipal Association's letter in support of the Manitoulin application is attached to this brief. I really would ask you to read it and judge for yourself the reasonableness of its case.

At no time were we discouraged from making an application if we thought a Manitoulin-only DSSAB was affordable. Our analysis demonstrated convincingly that we could afford a DSSAB for Manitoulin, that we could

administer it with less overhead than as part of a larger DSSAB, and that joining a larger DSSAB would mean for the people of Manitoulin, who already have below-average incomes, that they would be subsidizing higher welfare costs elsewhere.

No minister or official disputed that analysis. When we asked for meetings on our application, we were assured that there was no disagreement about the costs, that there was no disagreement about the numbers. We were granted no meetings, nor any reasoned reply to our attached letter of application. Instead, we were summarily informed by the Honourable Janet Ecker and the Honourable Chris Hodgson that they were unable to approve a Manitoulin DSSAB.

We were combined with the district of Sudbury, excluding the urban regional municipality of Sudbury. As I said earlier, our application and the district of Sudbury application were the only double majorities ignored, and there was no double majority anywhere for an option chosen, forcing us into a DSSAB with the district of Sudbury.

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A measure of the indifference to our welfare was that we were not even given a choice of which adjacent DSSAB we would be forced into. No one asked us our preference, despite the fact that we had studied a combination with the district of Algoma as well as with Sudbury. Perhaps a combination with Algoma rather than Sudbury does not suit civil servants in Sudbury, who consider Manitoulin part of their domain.

We await a meeting with the two ministers who are visibly involved, although one of them has been quoted in the press as saying, with scant evidence, that we are too small to afford a DSSAB. One can only presume that he is misinformed. We have the numbers. Joining with the district of Sudbury will cost us more than \$400,000 a year, mainly in social assistance funding, to subsidize mandatory DSSAB services in the district of Sudbury, and more than \$600,000 a year if land ambulance and public housing are also run by the DSSAB. Our administrative overhead — I'm not talking about the program costs that are downloaded; I'm now talking about the administrative overhead — would also be simpler and less expensive with a Manitoulin DSSAB than with a larger bureaucracy. You can imagine how it feels for people with some of the lowest average incomes in Canada to be told that we must subsidize someone else's welfare.

I said earlier that we have two grave concerns. The first is that restructuring creates systemic pressures to reduce basic government services in northern Ontario. I do not say this only from the perspective of Manitoulin Island, which a KPMG study found to be the part of Ontario hit worst by downloading when measured on a per capita basis. By that measure, the cost of services transferred, combined with the municipal support grants withdrawn, is a staggering \$930 per capita for the district of Manitoulin, pretty nearly \$4,000 for a family of four. That compares, for example, with Sudbury, in 10th place at \$555 per capita. Victoria county is halfway down the list of 67

administrative regions studied by KPMG, and they came in at \$369 per capita.

Overall, the KPMG study concluded that, "Northern Ontario municipalities, including the regional municipality of Sudbury, consistently fare worse in terms of the financial impact of the restructuring process when compared with other municipalities in Ontario."

Manitoulin's current situation — I'm talking this year and next — is a little less grim, though we're still among the worst hit, when measured by household rather than per capita, because we have some cottage country. As I was referring to a moment ago, our local tax situation is also temporarily relieved by a two-year grants program from the provincial government, which apparently, thankfully, does not want us to have to raise taxes this year or next.

Mr Michael Brown: I wonder when the election is going to be.

Mr Anglin: I don't impute motives, sir.

Despite the temporary grants, I believe the cost of basic services throughout northern Ontario is now at risk as never before. One reason is that the costs of social services will be borne increasingly by those who pay the most property taxes and least need some of the social services. They will be vocal and influential in wanting services reduced.

As well, ministers at Queen's Park will be able to change the rules on program standards and reduce services delivered by regional governments. They will be able to reduce the grants needed to maintain services, with regional government boards catching much of the blame. Accountability has become confused. We've already seen this happen with the new large school boards. People are blaming their school trustee for implementing rules that are being laid down in Toronto. Whether the rules are right or not, the accountability is not.

Another important reason that we are in danger in northern Ontario is that our subsidy from the industrial and commercial belts in southern Ontario is now much more visible, an easier target to identify and attack. It is natural for the rich cities, just like the rich provinces, to resent the cost of equalization and to lose sight of why it's in the public interest that, within reason, there should be similar levels of service everywhere, so that each region can draw on basic economic and social infrastructure in order to prosper to the best of its ability. That's good for the whole province, for the whole country.

But grants for infrastructure investment, with little popular appeal, are vulnerable to attack when they're starkly visible. Restructuring in northern Ontario has highlighted subsidies to municipal and regional governments rather than containing them in overall departmental spending estimates. The grants are open to attack by those who are mean of spirit and limited of vision.

Let me illustrate my concern with two services, ambulance and police, that are vitally important in sustaining our communities.

When we were studying DSSABs with people from Sudbury this winter, both elected and unelected officials in Sudbury referred to the cost of ambulance services on

Manitoulin as prohibitive, by which they meant, sensibly, that they didn't want to help to pay for a service that costs more to deliver than it costs in the city. I don't blame them for that. But try telling someone depending on the ambulance on Manitoulin, where we have a lean 24-hour service for a region about 150 kilometres long, that our service is unaffordable.

Or police: The OPP tell us that their true cost is \$360 per household per year on Manitoulin. The province has defrayed that down to \$90 per household for most municipalities, with a temporary subsidy. We would have to raise taxes beyond reason to maintain those services on our own. It would be even worse if we were forced into an area services board with Sudbury, where we might have to subsidize the district of Sudbury as well.

The alternative is to beg that such services be subsidized case by case, municipality by municipality or, worse, to reduce the level of essential services. I hope that despite its actions this is not what the provincial government really intends. I hope it is an unintended consequence of their policy.

Bill 12 will exacerbate the problem, not solve it with imaginary administrative savings, and it will pit community against community in a way that we've never seen before. That leads to our second grave concern with restructuring: that the DSSAB legislation and Bill 12 means that ministers can impose regional governments with irrational boundaries and set communities at each other's throats.

Because regional communities will be able to allocate taxes between classes of taxpayer, they will pit municipalities against each other on the ground of self-interest in minimizing their municipality's tax burden. There will almost certainly be what I would call the tyranny of the double majority on the DSSAB, as municipal representatives calculate the tax allocation formula that offers the best deal to the double majority of the municipalities who are on that board. The acrimony will be far worse than the old resentment of school boards increasing taxes that municipalities have to collect. Every regional board member will, quite responsibly, try to get the best deal for the electorate he or she faces. There will be rational winners and unhappy losers.

The situation is even worse for those people whose municipalities are unlucky enough not to have one of their councillors on the regional government board. You will recall that to keep the boards small enough to be workable, not every council is represented. Some councils will be pooled and will have to vote for one councillor to represent a group of municipalities. The unlucky citizens of a municipality without a directly elected representative will feel hard done by. You should not be surprised if they go to court to claim their charter rights have been violated, with demonstrable injury to their pocketbook.

Apart from its questionable legality, this indirect election may be politically tolerable in southern Ontario, where the interests and resources in a county or region are almost certain to be more homogenous than in the scattered communities of the north. This lack of homo-

geneity is one of the greatest flaws in the proposed regional governments in northern Ontario. By contrast, community of interest is the foundation of Manitoulin's application for its own DSSAB and a Manitoulin DSSAB would give every municipality at least one representative on the board. I can't say that this is true elsewhere in the regions of the north.

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We were sufficiently confident of our community of interests that we pledged to explore the establishment of an area services board for a number of services mentioned in the letter attached to our application for the DSSAB. We said we wanted to look hard at finding advantages in an area services board where we could. But forced in with Sudbury, it is highly questionable whether we would wish an ASB. The province, however, or some tyrannical double majority, might wish to force it on to us, with very unhappy consequences.

I realize that there is no chance at this time of turning the tide which is running against northern Ontario by forcing it into larger government units, but I would leave you with two requests.

The first is to ask that you obtain legal advice on the constitutionality of Bill 12 as it pertains to indirect election to an area services board, resulting in taxation without representation and discrimination before the law.

The second is to ask that you insist that the enormous powers conferred on the minister in this bill not be used to force a homogenous region like Manitoulin, against its will, into an ASB, particularly one that requires us to subsidize another district which can use its majority to dominate the ASB. Therefore, we would ask for an amendment to the effect that no existing district under the Territorial Lands Act would be forced to enter into an ASB contrary to the wishes of a double majority of its municipalities.

We also believe that the government should state in the Legislature that it would never use its powers under the act without consultation. I refer, of course, to meaningful consultation, not the sort of treatment accorded so far to Manitoulin's application for a Manitoulin DSSAB; and although that is not directly the subject today, we ask for your support.

In conclusion, let me say that we will always remember what is done to us through restructuring. Those in charge may say that you can't make an omelette without cracking eggs. They don't know what it is to be the egg.

The Vice-Chair: Thank you very much. We appreciate your bringing your comments before this committee today.

Mr Wildman: On a point of order, Chair: This is a very important presentation. I am looking at our schedule and two of the presenters didn't show this morning, so we're ahead of schedule. The next one is not until 11:20, as I understand it. Would it be possible for us, with the indulgence of the presenter, to extend the time for this presentation until 11:20 so that we can have a true exchange on this very detailed and important presentation? I'm asking for consent.

The Vice-Chair: This would have to be with consent.

Mr Hardeman: No.

Mr Wildman: No? Your schedule is already set.

The Vice-Chair: Excuse me. Order.

Mr Wildman: What's the reason?

Mr Hardeman: Madam Chair, I'm not sure it's appropriate to speak to a request for unanimous consent, but I just say, with no disrespect to the presenter, while I appreciate the comments he has made, I think it's inappropriate and unfair to all others who have presented before the committee who were obligated to stay within their time and make their presentation. It would be unfair if at this point in time we decided to have special privileges or special consideration for different presenters. This is in no way reflective of the presenter but of the process we have embarked upon.

Mr Wildman: We don't have another presenter until 11:20.

The Vice-Chair: Order.

Mr Bartolucci: Madam Chair, before we say no or take it as a final no, remember what the gentleman told us. He spoke for six municipalities, five plus his own. We have time. It is an extremely important presentation. It will afford the committee the opportunity to question and to receive information about the majority of the concerns and the flaws of this legislation, not from the politicians who sit on the other side but from people who are actually going to have to make the legislation work. It's not an unreasonable request.

The Vice-Chair: For this there must be consent.

Mr Wildman: If that's the case, then essentially the parliamentary assistant is doing to the presenter what the ministers have done to the municipalities of Manitoulin Island in refusing to have a true exchange in dialogue.

The Vice-Chair: I have heard the comments here, and we must move on. I did not hear consent.

Mr Anglin: Thank you for the opportunity to present my views and those of the majority of the people of Manitoulin.

The Vice-Chair: Thank you very much.

I would like to ask if Watson Slomski is here.

TRANSCANADA PIPELINES LTD

The Vice-Chair: We'll move on then to the presentation of Poole Milligan. Good morning, gentlemen, and welcome to the standing committee on general government. For the purposes of Hansard, I will ask you to introduce yourselves.

Mr Rick Johnson: I should make a correction to your opening remarks. The presentation is on behalf of TransCanada PipeLines, not Poole Milligan.

Mr Richard Poole: Just for clarification, Madam Chair, we coordinated with the clerk on behalf of TransCanada to ask that TransCanada be allowed to make a presentation, and I guess because our name went out on the letter that's how it occurred, but certainly it is TransCanada's presentation that we ask the committee to hear.

Mr Johnson: My name is Rick Johnson, and I work for TransCanada PipeLines, based in Calgary. I look after

the administration of our assessment in property tax matters. I have with me today our legal counsel, Richard Poole, from Poole Milligan in Toronto.

I would like to take time to thank this committee for allowing a ratepayer to make a presentation and to express our interest in what the government is attempting to do with local government restructuring in northern Ontario. I would like to read through our presentation, and then, if we have time, we certainly would like to have the opportunity to discuss it.

TransCanada PipeLines owns and operates 7,462 kilometres of pipeline and 43 compressor stations in Ontario. TCPL's pipelines span northern Ontario from the Manitoba border to North Bay and into southern Ontario. TCPL is perhaps the most significant single investor and ratepayer in northern Ontario.

TCPL operates pipelines within unorganized territory through seven districts in northern Ontario. These districts are the districts of Kenora, Thunder Bay, Cochrane, Timiskaming, Nipissing, Algoma and Parry Sound.

In the six-year period ending 1996, TransCanada expended \$2.5 billion on construction in Ontario. During the same period of time, operating and maintenance expenditures in the province, including salaries, totalled \$496 million. TCPL's construction expenditures are of significant economic value to Ontario as we increase pipeline capacity to meet demand for natural gas in Ontario and the northeastern United States. Many other businesses — steel, pipeline services, restaurants and motels — along our right of way benefit from TCPL's facilities and construction program. For example, in 1996 TCPL spent approximately \$330 million on Ontario construction projects. The spinoff benefits to the Ontario economy were estimated to be approximately \$1 billion.

In 1996 TCPL paid approximately \$30 million in local taxes in northern Ontario. These tax payments are summarized as follows: within the organized municipalities about \$16.402 million; provincial land tax payments in the unorganized townships about \$3.3 million; education taxes in unorganized areas amounted to \$9.4 million; local roads boards and local services boards, \$706,000; for a total of \$29.8 million.

TCPL's contributions ensure the continued viability of local government bodies in both organized and unorganized territory throughout northern Ontario. Not only are we a ratepayer in many communities in both northern and southern Ontario, but we pride ourselves on the contributions we make to local charities and community activities.

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The Northern Services Improvement Act, 1998, significantly expands the role and service delivery requirements of local government in northern Ontario. TCPL accepts the government's policy of realignment of local services delivery. We recognize that this initiative gives control and authority for a wide range of service delivery to residents of northern Ontario.

TCPL already bears a significant tax burden in both the unorganized and organized areas of northern Ontario yet it

makes very little demand for any of the services which will be provided by area services boards. Conversely, many residents of the unorganized territory in northern Ontario have contributed minimal amounts of provincial land tax payments in the past for the provision of area services board type of services such as child care, public assistance, public health services, social housing, homes for the aged, and other possible services such as economic development, land use planning, waste management, police services, roads and bridges and emergency services.

As a major stakeholder in northern Ontario, TCPL is concerned about the cost that will be incurred by area services boards in the delivery of these services and the corresponding tax burden on TCPL. Our concern is based on the fact that within the current provincial land tax assessment base, our assessment in many of the unorganized townships represents over 80% of the assessment base.

TCPL recognizes the checks and balances in property taxation which have been incorporated into Bill 12, similar to those contained within the Fair Municipal Finance Act (No. 1), 1997, and the current Fair Municipal Finance Act (No. 2), 1998. TCPL trusts that the government will exercise care in implementing these provisions of Bill 12, consistent with the manner in which they have been implemented under the Fair Municipal Finance Act.

We understand that the clear intention of the government has been to prevent unfair and inequitable shifts of taxation between property classes in organized municipalities. We trust that this same principle will be adopted in areas where area services boards have taxation jurisdiction, including unorganized territory.

The government may wish to consider alternative methods of distributing the costs of delivering the services and the burden of taxation to be levied by area services boards. The government may wish to consider such alternative means as (a) valuing pipeline as linear property and applying a uniform rate of taxation to the pipeline across northern Ontario; (b) apportioning the burden of taxation levied by the area services board on a per household basis; or (c) apportioning the burden of taxation levied by the area services boards in proportion to the caseload and demand for services between the various communities within the jurisdiction of the area services boards.

Transition ratios: The transition ratios to be prescribed by the minister for property classes for purposes of setting tax ratios must be related to the present burden of taxation on those property classes within the jurisdiction of the area services boards.

The area services boards' geographic jurisdiction will extend over large land areas previously without any form of municipal organization. The Legislature must be vigilant to ensure careful consideration of the area services boards' transition ratios in order to avoid unwarranted and unfair shifts of property taxation between classes.

In addition, vigilance will be required to avoid unanticipated double taxation on the pipeline property class by combining the existing tax burden within the organized

municipalities and an increased tax burden in those large areas outside of municipal organizations, yet within the boundaries of the area services boards, where there is very limited need for government services.

TCPL asks that the government carefully consider the design of the transition ratios for the pipeline property class to prevent unwarranted and unfair property tax increases by area services boards in territory without municipal organization.

Once again, I'd like to thank the committee for this opportunity to appear and make the presentation. We certainly are very interested in your work and wish you all the best.

Mr Hardeman: Thank you very much for your presentation. I just have a couple of points. Recognizing that the pipeline is a major contributor to the economy of the north, even though it may be taking the goods within the pipe somewhere else, there were a couple of areas you mentioned. I guess it's more for my clarification than legislatively. Presently, you pay on the pipeline based on the assessed value of the property the line is on in the organized municipalities. Do you pay a land tax through the unorganized or through the area where there is no municipal government?

Mr Johnson: No. The method of assessment for pipelines in the province is based on a lineal-foot basis by regulation, and that includes provincial land tax areas. There's just a different assessment base here. We don't pay on the land, because that's the landowner's land, but we pay on the value of the pipe.

Mr Hardeman: You pay taxes in the area with municipal organization and you pay a provincial grant or a grant in lieu of taxation for the area where there's no municipal government?

Mr Johnson: No. The distinction is that in the unorganized areas it's a provincial land tax provision under the Provincial Land Tax Act, so there's a fixed rate through those areas. In the organized, it's dependent on the budget requirements of local government.

Mr Hardeman: Forgetting for a moment the amount of the taxation, if the taxation method in areas with municipal government is an appropriate and fair way to pay for municipal services, do you not see that to provide municipal services in an area without municipal government, a similar way of assessing cost to an entity going through that area is fair and equitable?

Mr Johnson: It's fair if it's not disproportionate between classes. If the cost of taxes goes up significantly and the burden is borne by one ratepayer, it's not fair.

Mr Hardeman: That brings me to the other one, where you suggest, "The transition ratios prescribed by the minister for property classes for purposes of setting tax ratios must be related to the present burden of taxation." If that was not the intent, could you point out to me why that would be in there at all? If it was not the intent to somehow relate that to the appropriate level of taxation on pipelines, why would the minister then have the ability to set those tax ratios? If he didn't set them, they would be

paid based across the board on the same value as they are in the organized. Would that not hold true?

Mr Johnson: I'd like Mr Poole to answer that question.

Mr Poole: If I understand your question, sir, we are asking that the minister, in setting those transition ratios, have regard to exactly what you're stating. We read the legislation as empowering transition ratios based on the historical tax burden of TransCanada and we're urging that that be carried forward as part of the scheme.

Mr Hardeman: I agree. I think we're on the same wavelength. It seems to me that if the minister was not going to take that fairness into consideration, there would be absolutely no need for that part of the legislation to be there. It seems to me that the only reason it would be there, not necessarily just for pipeline but for other entities, is that a fair amount to pay could be set as opposed to just having it the same across the whole area services board area.

Mr Poole: I agree with you, sir. That's certainly what we've addressed, and I think the form of the presentation is just cautionary on that. One thing to remember too in terms of the burden of tax on TransCanada is that it's taxed under the Provincial Land Tax Act but the pipeline was reassessed. Therefore, the \$3.3 million is based on a more current value than other properties in the PLTA. The government in its wisdom a number of years ago felt that the burden of \$3.3 million was a reasonable burden, and that's how that was calculated, differentially than other ratepayers in unorganized parts of the province.

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Mr Bartolucci: Thanks very much for your presentation, Richard. Do you have any concerns about what I would say is the fragmentation of government with this act? You have the Ministry of Health involved with one segment of public health. You have Comsoc with the DSSAB, which affects you. You obviously have the Ministry of Finance, because of taxation. You also have the Ministry of Municipal Affairs and Housing impacting on how you will do business. You also have the Ministry of Northern Development and Mines with this act. I see a fragmentation of the opportunity for business to simplify its process and for government to ensure that simplification and a lessening of government takes place. The reality is that with you it's going to increase, is it not, and with private business?

Mr Johnson: I guess our overall concern would be just the possibility of added government, bigger government, more bureaucracy, which really adds more administration costs. Really, because of the vast areas we're speaking of here, with a very limited population and assessment base, with the exception perhaps of our base, there is a danger that there could be a shifting of that tax burden and the cost of services to one ratepayer: a downloading on a ratepayer rather than a downloading on local government, which we can ill afford.

Mr Bartolucci: That's a real concern of every property taxpayer certainly, but everybody who does business in northern Ontario. Not to be too partisan here, I still

think that picture isn't clear in this type of legislation, and that's important.

There are some very interesting alternatives here, some, on page 3, that could impact very negatively on you. It's fair for you to bring them forward. Would valuing pipeline as linear property in northern Ontario not be more expensive to your company?

Mr Johnson: It really depends on the tax policy of the government. We don't know. This was one of our concerns at this point in time with the reassessment province-wide and the tax policy changes, and they are major and still quite unknown. We're not certain.

The unpredictability of our expense in property tax is a real concern to the company because it makes us less competitive, and we are working on a North American grid now. We have competition. If the expense ratios go up too much, it defers construction or maybe eliminates construction or added construction in this area. A lot of considerations have to come to bear on this.

Mr Bartolucci: The other two alternatives are very excellent and worthy of further exploration on the part of the government as well, as they clean up their tax mess. Thank you.

Mr Len Wood (Cochrane North): Thank you for the presentation. I can see where TransCanada PipeLines would have a concern. We had presentations in Thunder Bay yesterday from a number of people, but one of the presenters was the chair of AMO. I guess there is a court challenge or a battle going on now back and forth between forced amalgamation and whatever.

I represent an area, Kapuskasing, Hearst, Smooth Rock Falls, Cochrane and a lot of unorganized areas in that part of the province. Your concern about having the taxes increase — have you been able to estimate what your tax increase might be as a result of the government downloading and dumping services they used to pay for? The unorganized areas are going to have to have huge increases in property taxes to pay for the services that were normally paid by the province through grants and whatever. Some are saying their taxes could go up by \$500, \$600, \$700, \$800 in the unorganized areas to pay for the new services. Would TransCanada PipeLines' taxes go up accordingly, or have you been able to estimate what it would cost you?

Mr Johnson: Just with the reassessment program and the changing tax policy, intended tax policy, we've had to try to make some guesstimates, if you like, or estimates. It's very difficult. For the 1998-99 year, we were suggesting that our taxes could go up 70%. Because of the uncertainty of local government restructuring, assessment policy is now fairly firm — we know what assessment is — but the tax policy is very uncertain still in the impact and the relationship with the other classes of property.

Mr Len Wood: With an increase in taxes of 70% — I know a number of construction projects are taking place to produce electricity from the waste natural gas all along the pipeline, cogenerating plants. Can you see this having an effect on the future construction of any of these plants? What effect would it have on employment in construction

and operators that might be there in the future, with a 70% increase in taxes as a result of Bill 12?

Mr Johnson: Certainly, if it reaches that magnitude we'd have real difficulty looking at increasing our program of, say, power projects, as well as pipeline projects.

Mr Len Wood: Based just on your presentation and the presentation I heard yesterday in Thunder Bay, Bill 12 can be very detrimental to northern Ontario as far as employment is concerned, on the future of what TransCanada Pipelines has been doing over the last number of years by creating jobs.

The parliamentary assistant is saying that TransCanada Pipelines brings gas through and it goes someplace else, but they also create a lot of jobs in northern Ontario through construction of these cogenerating plants, whether it be in Kapuskasing or in North Bay or in other areas they've built them.

Mr Johnson: Let's be clear that we're not negative about change. We recognize that there are real problems in northern Ontario with administration of services and the revenue for those. I think it can work, but it has to be carefully looked at and managed and administered so it doesn't become another bureaucracy and another costly one for the government and for the individual ratepayer.

Mr Len Wood: You guys are going to need some meetings with the Premier and with the cabinet ministers on this issue, I'm sure.

The Vice-Chair: Thank you very much, Mr Johnson, for bringing your presentation to us today.

That concludes the presentations here. This committee stands adjourned until 4 pm in Timmins.

The committee recessed from 1118 to 1558 and resumed in the Best Western Hotel, Timmins.

PORCUPINE HEALTH UNIT

The Vice-Chair: Welcome to the standing committee on general government for the public hearings on Bill 12. We are going to begin this afternoon with a presentation by the Porcupine Health Unit, Dr Susan Kaczmarek. Good afternoon and welcome. You will have 20 minutes in which to make your presentation, and you may use all or part of that time. If there is time available, we will have questions from the members present. Please begin.

Dr Susan Kaczmarek: Members of the committee, I would like to thank you for providing me with the opportunity to appear before you today to make this presentation. As you know, I am Dr Susan Kaczmarek. I'm the medical officer of health for the Porcupine Health Unit, which provides public health services to approximately 100,000 people who live in our district. I also have with me today my board chair, J.C. Caron, who is the mayor of Kapuskasing, and Esther Miller, who is the director of clinical and preventive services at the Timiskaming Health Unit.

Our combined district between Porcupine and Timiskaming is really quite vast. The Porcupine Health Unit covers from Hornepayne over to Matheson and from Timmins in the south to Moosonee in the north and well

along the James Bay coast. The Timiskaming Health Unit covers from south of Matheson to south of Temagami and thus covers Kirkland Lake and the Tri-town area. Both health units serve both the vast unorganized areas and as the organized communities over an area that is actually greater than the country of France.

I am here today because I wear several hats. I am the medical officer for the health unit but I'm also the northern medical officer representative to ALPHA, which is the Association of Local Public Health Agencies, and in fact I'm vice-president of that organization. All three of us are here today because we have strong personal interests in positively influencing health care reform for the residents of northern Ontario.

I'd also like to mention that I have lived in this area since 1984, the first 12 years working as a general practitioner and now as the medical officer of health. I think this leaves me very broadly informed as to the challenges of improving health and providing health care in the north.

I know all too well the current inadequacies of the health system, but I am also aware that there is plenty of evidence out there if you go and look for it as to how the system can be improved to ensure that needed services are provided to everybody and that strategies are put in place that can really make a difference to the health of the people who live up here.

I and the northern medical officers and public health professionals are watching the developments in health system reform very carefully. We do note some encouraging trends such as are happening in primary care, but we are very concerned at the path that is being taken with the reform of public health services. Admittedly, it's a small piece of the health care system, but it's a very important one.

Across the north, you've probably heard from many medical officers of health who are expressing their concerns to you about Bill 12 because we believe this bill is another step in the wrong direction for public health and even more fundamentally for the health system of this province and northern Ontario.

The first and most crucial error that was made was the decision to download funding of public health services to municipalities despite the best advice of experts like Duncan Sinclair, the chair of the Health Services Restructuring Commission, and David Crombie, who headed up the Who Does What advisory committee to the provincial government.

Bill 12 might have, I suppose, some positive outcomes for some services that are currently very fragmented or even non-existent. The bill aims to provide choice and flexibility in the establishment of service delivery mechanisms and to allow for increased efficiency and accountability in area-wide service delivery. This might be something that's very much needed for municipal services, as some of our communities are very small and isolated and services can be expensive. But we believe it's a mistake to require that one of the core services which must be provided or ensured by an area services board is public health. This would be moving public health into an

integrated system with Ontario Works, child care, social housing, police, roads, bridges, economic development, emergency preparedness, airports, ambulance and homes for the aged, and would allow the future organization of public health services to be perhaps more driven by geopolitical tensions that exist around municipal services rather than looking to the successes of the northern health units in delivering services across our wide geography and the positive trends that I think I see in health care reform.

There is a position paper which has been produced by the Association of Local Public Health Agencies in conjunction with the northern medical officers of health. This position paper has six principles at its core which I suggest to you are worthy of consideration.

The six principles are, first, that the already successfully consolidated and effective services of northern public health units mustn't be weakened merely to meet the need to consolidate other services.

Second, we believe that local public health services must be organized such that each unit will maintain the necessary critical mass to continue to ensure comprehensive and effective provision of mandatory programs and public health responsiveness to important health issues as they arise.

Third, in these times of shrinking resources and staffing, any reform of local public health services must ensure that opportunities will continue to exist and in fact will be strengthened between health units.

Fourth, the reform of public health governance must ensure that there is a balance between the driving forces of efficiency and quality.

The last point I would like to make is that the next step in health system reform requires integrated approaches across public health. Current public health service reform, as is being discussed right now, must not create barriers to the important role that public health could play in the integrated health systems of the future that I think are a real possibility.

Actually, there is one more point that ALPHA made. That is that the consultation on public health integration into municipal services must include public health and the communities at large.

There are a couple of these points that I would like to expand on further, the first being that we believe northern health units have already long evolved to successfully and efficiently provide services across very vast geographies and numerous communities.

There are only seven health units in the whole of northern Ontario — eight if one includes Muskoka-Parry Sound. Health units such as my own and the Northwestern Health Unit provide coordinated public health services to areas as large as the country of France. This is fewer than the approximately 10 or 11 district social service administration boards proposed for the north, and significantly fewer than the 15 or so currently under discussion, which are to replace, apparently, a multitude of municipal structures that currently deliver Ontario Works, child care and social housing. It seems to me that area services boards are clearly expected to evolve from these DSSABs. I

would suggest to you that we shouldn't be taking apart health units and creating more health units in order to merely fit the borders of DSSABs and ASBs, as are driven by the geopolitical tensions that exist in our area.

The second point I want to expand upon is that public health services must be structured and organized such that each unit has a critical mass necessary to ensure that they can provide all the mandatory programs as they are laid out by the Minister of Health, and be able to respond to public health crises as they emerge.

Public health units have very broad legislated responsibilities to provide programs that protect and promote the health of the public. The programs document is issued by the Minister of Health. It identifies minimum standards that must be met and requires boards to employ a variety of appropriately trained professionals such as medical officers of health, public health dentists, dental hygienists, public health inspectors and public health nurses, to name but a few, in order to properly provide the service. A minimal organizational size is also required to ensure we can respond 24 hours a day.

As our budgets have shrunk, our key expertise has been increasingly concentrated into a smaller number of staff. My own health unit now only has 70% of the staff it had in the early 1990s to cover the whole of the district.

A study was done by the public health branch in 1996, and they reported that they felt it was true that the minimum population that a health unit must provide for in order to meet that critical mass was in the range of 100,000 to 150,000 people. A business plan at that time called for smaller health units to be amalgamated from the total of 42 that existed in the province down to 32.

Bringing public health into the planned area services boards, if indeed they are to be based on the DSSABs, would move us in the opposite direction from these potential efficiencies. In fact, locally, a plan to amalgamate the Timiskaming and Porcupine health units was put on hold because of the announcement that funding of the health unit would be downloaded to the municipalities and because of the discussions around the district social service administration boards. Allowing health units to continue to shrink in size will mean that some vital expertise and programs will eventually be lost to our communities.

Lastly and perhaps most importantly, I'd like to talk about integrated health services. Public health services are a crucial component of the health system, and in the north we also often fill in some of the ever-present gaps in primary care created by the shortage of family physicians. Planning documents for integrated health systems all uniformly recognize that public health must be a part of any model for an integrated system. This is because the experts realize that most of the current health care concentrates on services for individuals who are already sick, while only public health services currently plan and provide programs aimed to produce long-range improvements in the health of the community as a whole.

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Plans for integrated health services realize they want to involve and build upon public health services because we

provide a variety of services such as epidemiology, vaccine programs, environmental health expertise, family planning clinics, well-woman clinics, restaurants and food safety programs, and infection control consultation, to name but a few.

In fact the Northeastern Integrated Health System Task Force did a lot of work only last year and produced a report in which it was stated that health promotion and disease prevention is a key component of an integrated health system, and named public health as a core program in their model for the northeast.

In conclusion, let me say that I have nothing against reorganization, restructuring, reform. It can bring benefits, but it can also produce changes that become embedded in legislation which will take years of work to undo. I ask you to please ensure that public health reforms are not driven by the need to consolidate other services, but by the evidence that exists as to what is really needed to improve our health care system for the residents of northern Ontario.

It was no accident that in the past, public health services, which began decades ago as wholly municipally funded services that were very small and very numerous in number, eventually evolved into much larger units that could provide a greater variety of services and were eventually largely provincially funded. Communities vary widely in their wealth and the very communities that are most in need of services are those that are least able to afford them. Successive provincial governments over the past decade increased their funding portion to public health as they realized that municipalities could not rise to the challenge because of the differences in the wealth of communities.

I think we should take the lessons of the past very seriously. I believe public health is a provincial responsibility and that it should not have been downloaded on to district social services administration boards, area services boards and municipalities, and I do not believe it should be funded from municipal taxes.

Mr Michael Brown: Thank you for coming. We heard a presentation that was very similar from Dr Northan this morning and Dr Bolton from Sudbury has written us along the same lines. I share your view.

Something I wanted to ask about, but didn't have an opportunity this morning, was that we're aware the hospital restructuring commission is now looking at rural hospitals and the smaller hospitals across northern Ontario, and is looking at clustering models, whatever that might mean. It would seem to me that public health services would be far better coordinated along the lines of our institutional services and along the lines of municipal boundaries, whatever they may happen to be. Am I wrong in thinking that?

Dr Kaczmarek: I think that was exactly what I was alluding to. The Health Services Restructuring Commission is coming to visit the district of Cochrane in the very near future and there have been some significant discussions about clustering the hospital services into a more co-operative model. I think that alongside of that it brings

with it great potential for addressing the gaps in primary care that exist, by looking among the health services that exist to a more comprehensive model and more efficiencies within the health services that exist already.

Mr Michael Brown: I may be wrong, but the information I've had is that public health services, however they are addressed, will probably, over time, be the largest determinant of the health of our population, beyond physicians, beyond hospitals, beyond whatever. The environment we live in, the food we eat, the houses we have, contribute more to the longevity of our population — the issues you deal with — than maybe the sexier parts of medicine with all the bells and whistles.

It doesn't seem to me that it makes much sense to ask a municipality, as you've pointed out, that has to balance the need to fill the potholes, for example, with the need to have a program for pregnant women — I think I'm agreeing with you. I can't really think of a question.

Dr Kaczmarek: Public health underlies the whole of the health system. It only takes up about 3% of the health budget and it's often an underappreciated health service, but without it you would not have the very framework you need, such as the vaccine program and the food and water safety programs, to ensure the population as a whole has the basics.

Mr Gilles Bisson (Cochrane South): I want to welcome the committee to the city of Timmins. It's not often that the people in our area get an opportunity to go before a committee because it's not normally a stop that is made on the committee circuit, but this committee chose by subcommittee, and then supported by all three parties, that the committee would come to our area because this is a bill, Bill 12, that will have effects, one way or another, on the communities.

I want to point out on a beautiful summer afternoon in the city of Timmins that you have people from all over our area, from Hearst to Timmins to Iroquois Falls. I believe there are some people from south of Matheson here as well. I think it shows that when we come north and we come as far north as Timmins, people have something to say and are pleased the committee was able to come.

I have one question. It's a very simple one. In your presentation, and you didn't get to it because you didn't have time, you have an addition to your document, a yellow one, and it reads: "The Services Improvement Act has modified the Health Protection and Promotion Act such that 'additional entities such as county councils may become boards of health' and 'the administration and business affairs of the board need not be under the direction of the medical officer.'" If that was the case and that was to happen, what does it mean to a person living in Hearst or Kapuskasing or Timmins? What does that mean if it's a county council or an ASB that's running it versus the medical board of health?

Dr Kaczmarek: Currently, where there is an independent board of health, the management of the programs and the administration of the health unit come under the medical officer of health, somebody such as myself who has training to a master's level or fellowship level in

public health, who therefore can make the decisions about the utilization of the health unit's resources along the lines of making sure that the mandatory programs are met, but also addressing the health priorities of the community. If that were changed, then you may have a situation where that kind of expertise and perspective is no longer brought to the decisions about where the money is spent.

Mr Hardeman: Thank you, doctor, for your presentation. As mentioned earlier by Mr Brown, we've had a number of medical officers of health and boards of health make presentations to the committee expressing in some areas similar concerns to your presentation.

I just want to make a comment on the objectives of the northern medical officers of health. It relates to everyone speaking, or singing, from the same hymn book, shall we say. I would agree with you that the intention of the bill and the process and providing of quality public health services in all of Ontario is covered in this. At the present time I am confident that it's covered in the bill. I hope we can get the information out of the public hearings to point out if and where it does not meet those challenges that you put forward in your five or six comments as to what you believe public health should do.

One of the things that has been expressed quite regularly is the concern that if it goes to the area services boards, we would end up with more boards of health, so that we increase the cost of public health. I suppose if one increased the costs and there's no more money available, you then turn around and decrease the quality in order to meet the budget restrictions. In the bill it recognizes that the area services boards would become responsible for providing public health, but it doesn't state that they would then become the board of health. They could turn around and purchase that service.

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As the local administrations put forward a proposal to have an area services board, it would seem probable to me, and I just ask if that would not be the case with you, that the most effective and efficient way of providing the public health services would be jointly with the present participants in the board of health, to provide them in the same way they are, rather than putting it into a smaller unit and hiring their own medical officer of health and putting in their own administration. The only thing I see in the bill that would help reduce administration is if some of the administrative functions could be provided by what would at present be administrative structures for the area services board.

Do you see a likelihood that, in the name of efficiency and effectiveness, any group of municipalities or areas would come forward with a proposal that says, "We can provide a more cost-effective and more efficient service by downsizing and increasing the number of boards of health in the north"?

Dr Kaczmarek: I'm already aware from my colleagues who are in other parts of northern Ontario that exactly that kind of discussion is going on in some of the areas. Not in my own; the borders of my health unit are the same as the DSSAB that is proposed for our area and

presumably that might become the area services board. But it is my understanding that in some of the areas such as northwestern Ontario, where there is more than one DSSAB to be created within the borders of the health unit, there are people who are of the belief that they could provide the public health services within their area services board and not maintain the current health unit structure.

The Vice-Chair: Thank you very much. We've run out of time. I appreciate the comments you've brought to the committee this afternoon.

HIGHWAY 11 CORRIDOR MUNICIPAL COALITION

The Vice-Chair: I'd like now to call upon the Highway 11 Corridor Municipal Coalition, Mr Caron, the chair. Good afternoon and welcome to the standing committee.

Mr Jean Claude Caron: First of all, I'd like to apologize to the francophones in the room. My confrère from Hearst, Mayor Blier, was supposed to be in and do the French presentation but something came up. He called me when I was on the way here so I couldn't get his presentation. So the presentation will be done in English. I'd like to apologize to the francophones on the panel and in the hall.

First of all, I'd like to thank you for giving me the opportunity to talk to you. On behalf of the town of Kapuskasing and the Highway 11 Corridor Municipal Coalition, comprised of 12 municipalities between Black River-Matheson and Hearst, I welcome the opportunity to present comments at this hearing on this very significant act with respect to part II.

The establishment of area services boards, although voluntary in nature, has very serious implications on large geographic areas such as the Cochrane region. As a result of those implications, the coalition member municipalities have taken a strong position on the proposed regulations dealing with governance, added services of a local nature, taxation and the creation of another level of bureaucracy similar to a modified upper-tier level of government.

Coalition member municipalities have considered the benefits associated with the assumption of responsibility for the delivery of a number of services as proposed by the act, but the devolution of such shall evolve into the creation of another level of government and associated bureaucracy with the power of taxation. This would certainly be counterproductive and have a dramatic effect on municipal government with respect to flexibility and choice on behalf of its electorate.

Of utmost concern is the power by the province to order the area services boards to be responsible for the provision of other services that have been historically local in nature, rather than being matters of district-wide concern. The impact on cost, efficiency and other benefits, or disadvantages, requires to be further assessed prior to any firm decisions.

If this section is to form part of this bill, then a mechanism for consultation should be in place to ensure coordination, effectiveness and efficiency to maintain local government in the north, as opposed to a regional government approach, in this vast area of northern Ontario.

Specific areas of concern as outlined in the proposed bill include economic development, airport services, land use planning, police services, homes for the aged, and roads and bridges. Inclusion of these services could create conflict and could also prevent any local initiatives to be undertaken.

Some of the services outlined have already undergone a restructuring process to eliminate waste and effect efficiencies, such as the Porcupine Health Unit, and unless the provincial government is able to indicate further savings to the taxpayers, free of any negative impact on services, then it should not be considered as part of the ASB.

Another point of concern is the recovery of costs associated in achieving the requirements of Bill 12. This piece of proposed legislation outlines that an election be held in unorganized territories for election of a member to represent that area on an ASB. Therefore, recovery of costs from the residents could be achieved possibly through the board.

The Northern Services Improvement Act also outlines the majority vote as being a vote of a majority of all members in attendance at a meeting to pass any bylaw or resolution. It is suggested that a majority vote be achieved by a majority of total members sitting on the board. This would result in fair and equitable decision-making with no one group being perceived as having control, a fear that has become evident with area negotiations.

The coalition appreciates the opportunity to present these concerns and trusts they will be considered prior to final reading and vote on Bill 12.

Some of the concerns of the town of Kapuskasing are seeing this as a backwards step. We just finished over a year of negotiations with a home for the aged because the local municipalities didn't want to pay into the home. We finally came to an agreement. Kapuskasing took over the home for the aged and declared it a charitable home, and we're the only ones concerned with it. The same thing happened in Iroquois Falls. The surrounding municipalities didn't want to get involved with it. Now you're coming back to us and asking us to do just the opposite. This thing with the home for the aged was always refused by every other previous government. Now this government says: "OK, we can dissolve the board. You can take care of your own." And now you come back today and you want to put it back in. Why did we do all this work?

The most appalling thing about this government — I can't believe what you're doing. You're pitting all the communities one against the other. In northern Ontario all the communities used to work together, enjoy our friendship, enjoy our sports, enjoy our success and work together if anything went wrong. Mr Hardeman, you're one who should know. When you came to us and you

talked about amalgamation with the small communities and something had to be done, I walked on the street, and the reeves and the mayors and the people from the small communities around would turn around and not look at us. They despised Kapuskasing. People I went to school with, people who enjoyed their sports — is this what this government wants?

This government should realize that northern Ontario is not like southern Ontario. You should realize it and should have realized it, because you never got anybody elected in northern Ontario. Your philosophy is not the philosophy of northern Ontario. Northern Ontario is people caring for people, people helping out people.

I just say, when it comes to economic development, who wants to have a big region beside it? If industry comes in and you've got five municipalities vying for it, whoever is the strongest is going to get it. This is completely wrong.

Police services: We made a deal with the OPP in Kapuskasing and we have a good solution. We buy the service we need. We don't need the region to tell us what we need. We buy our own services, what we need for our community. This is what we're looking for. We are there to serve our citizens.

I have lived all my life in Kapuskasing. I live in northern Ontario by choice, because this is the kind of life I want, a life of caring people. My friend, the thing is, if you live by the almighty dollar, you die by the almighty dollar, but if you live caring for people, you die in love.

Mr Bisson: I have a few questions. The first one is, I just want to say, Mayor Caron, that your comments about mayors and councils and communities being one against each other is something we're starting to hear a lot more of. I'm not going to use this committee to politicize it, but that's a message that I think committees have to hear. When all of this hits the ground, Bill 12 and all of the other restructuring that's gone on — it has been a process that has forced municipalities into a situation where instead of working together, they're quite frankly sometimes trying to hang on to their own stuff and they end up fighting against each other. Mayor Caron is not normally an emotional person, and I'm a bit surprised that you chose to do what you did here today. I think it tells me to what degree you feel about that.

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The other thing I want to say, just before I go to the question, is that you have to realize that communities like Kapuskasing, like Timmins, like Iroquois Falls, Hearst, all the other communities, have undergone a whole bunch of change on their own. They didn't need a provincial government to tell them to restructure. They didn't need a provincial government 25 years ago to tell the city of Timmins that they needed to amalgamate. They didn't need a provincial government to tell them they wanted to go to the OPP in the town of Kapuskasing. They did it when the time was right, when it was right for their taxpayers, and they did the responsible thing. I think that's the resentment you hear from a lot of the municipal leaders.

I want to go back to a part in your presentation where you say that basically what we're doing here is creating another level of government. You've sort of answered the question, but I just want to have it clear. If we go ahead with ASBs and eventually these things become full-fledged municipal governments of their own, do you agree that all those services should be done by a regional style of government or are you better off to keep it at the local level?

Mr Caron: As far as I'm concerned you'd better keep it at local government, because local government can give what the local people want. A regional government will give what regional people want, but it doesn't mean — like being so vast, with so many miles between each town. A good example is Cochrane North: You have the Highway 11 corridor, which is basically francophone people, you've got Timmins, which is anglophone, and then you've got Moosonee, which is native people. If you make a decision and you don't include the native people, Moosonee's left out. If you make a decision and don't include francophones, they're left out. If you make a decision not including the anglophones, Timmins is left out. This is not what we want.

Like you say, it's working together. When we built our hospital in Kap, the neighbouring communities of Fauquier, Moonbeam, Opasatika and Valrita all chipped in. We built our arena, they all chipped in. If a crisis came up, they all chipped in. This is what we want. We want to stop this fighting that is being pushed on us by this provincial government and makes enemies instead of working together. In northern Ontario, if you don't work together, you're not going to survive.

Mr Hardeman: Good morning, Mr Mayor, and thank you for your presentation. A couple of comments first, and then I have a couple of questions.

I wanted to make the comment that the Minister of Northern Development and his parliamentary assistant spent quite an extensive amount of time speaking to northern municipalities to ascertain what was required in municipal government to deal with the more regionalized services and to come up with a bill that would allow that to happen by locally driven initiatives. I think that's why this legislation is totally permissive legislation. If the people in the north, the municipalities in the north, do not want the area services boards, they do not have to put them in place.

Yesterday, in a number of presentations, people came forward and said: "We were way ahead of you. This bill is what we, in our proposal we sent to the minister, were recommending in relation to the discussions that have been held over a number of years with municipalities and the unorganized areas around them or where they have no municipal government to deal with some of these regional services, to make sure that everyone who is receiving the services pays for the services." I believe those were, in fairness, some of the comments made over the period of discussions held with Kapuskasing and some of their neighbours about payment and delivery of services. This bill provides the opportunity to put those types of things in

place so the services can be delivered across broader areas without the need to provide a large government over all that area or an upper-tier government, as you referred to. I'm somewhat curious about the objection to having permissive legislation to put that in place. This was not the position put forward by the majority of municipal leaders we've heard from in the last couple of days.

One of the items you mentioned specifically in your presentation was the issue of homes for the aged being a core service, that if you set up an area services board, municipal homes for the aged would be covered by that. My understanding is that presently it is a regional-type service that provides the service to areas that are not necessarily confined to your municipal boundaries. As far as the operation goes, I'm sure they're presently operated by a board of management to operate the home and funded by the municipality. It would seem to me that the operation of that could stay identical under an area services board, save and except that the ability to fund that home for the aged would be spread over the entire area of an area services board. Do you not see that as a benefit?

Mr Caron: Well, you should talk to some of your ministry, because that's what we had and your government told the neighbouring municipality that they can pull out of the agreement and that the Kap will be responsible for their homes and Iroquois Falls will be responsible for their homes, otherwise the ministry would close them. This is the answer we got from the Minister of Health of your government. So what we did is that we negotiated for one year and we finally came up with an agreement. When the other municipality pulled out, Kap took over a home for the aged. We changed it to a charitable home, because there's a retrofit of \$7 million which the town of Kapuskasing can't afford, so we can keep it as a home for the aged. We changed it to a non-profit, a charitable home so we would not be responsible for the retrofit. This was all done with your government. They tried it for the last 10 years and all the previous governments refused them, but your government accepted their conditions to pull out.

Mr Hardeman: Is it your understanding that the non-profit that you now have for the home for the aged would no longer be allowed to stay in place if you had an area services board?

Mr Caron: It wouldn't be part of it because it's not a home for the aged. It's a non-profit home. We had a home for the aged and the municipalities from Hearst to Madison were paying into it. We had one in Kap and one in Iroquois Falls. Then the municipalities of Hearst, Mattice, Opasatika, Valrita, Moonbeam, Fauquier, Smooth Rock Falls, Cochrane, Madison, all sent letters to the ministry saying they wanted to pull out. The minister accepted it. They said, "OK, come up with a solution," so we came up with a solution.

In Kap we didn't want our home closed. We're still supplying them with \$227,000. We're not keeping it as a home for the aged because being a home for the aged, the municipality would be responsible for any retrofits, liable for anything. We changed it to a non-profit home, a charitable home, your government calls it, so we will not

be responsible so we can keep our home. But if you go under the ASB, then it goes back to a home for the aged; you want it back as a home for the aged. All the work we did that your government wanted, now you want to switch it back, which I think is nonsense.

Mr Michael Brown: Thank you, Mayor, for coming here today. What you've had to say is pretty much what I've heard throughout my constituency. I represent Algoma-Manitoulin along the North Shore. One of the interesting things that was said this morning — I had never considered it, but David Court from the administration board of Algoma was before us, and he was so convinced that what we're getting here is regional government he wondered why the government had not given the taxing power directly to the ASB and have the ASB send out all the taxes. In other words, instead of the municipality sending out a tax bill, they would send one out with Kap's levy included in it for the people in Kapuskasing.

I guess what I'm saying is that I believe this is the second tier of government and it's a government that I think is not going to service the people I represent and certainly not the people here in Cochrane either or in any part of the north.

I don't think the parliamentary assistant understands the homes for the aged question. If you were in an ASB, what you're telling me is that you'd revert to paying the cost of all the homes for the aged within the ASB area. That could put you in the unenviable situation of supporting a charitable home all of your own, under the worst circumstance, plus paying for the —

Mr Caron: A home for the aged.

Mr Michael Brown: — which may be in Iroquois Falls or in Timmins or wherever it is.

Mr Caron: In Timmins, yes.

The Vice-Chair: Thank you very much for coming here today. We appreciate the comments you've made.

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Mr Bisson: On a point of order, Madam Chair: I have a question to the parliamentary assistant. Am I to understand that in terms of the homes for the aged now, under the new ASB, funding would stay the same, that Kap would pay for Kap, Iroquois Falls would pay for Iroquois Falls and there'd be no district-wide assessment for any of the homes for the aged across the district under Bill 12? Is this a change of policy I just heard?

The Vice-Chair: Do you wish to answer that?

Mr Hardeman: Not to extend debate, I think it's the type of debate that will be appropriate in the clause-by-clause. But I would point out for all those gathered that the legislation would allow the area services board that was going to provide this service to provide that service in any way they deem most appropriate, and they have the ability to set the cost and the payments of those services in their choice of ways. Then they send the bill to the appropriate municipalities or charge it to the appropriate taxpayers in the unserved area.

So yes, they could provide it in different ways in different parts of their area services board. It's their responsibility.

The Vice-Chair: I'm sorry, it's not a point of order. I think you've had clarification. We'll continue on.

CITY OF TIMMINS

The Vice-Chair: I'd like to call upon Victor Power, the mayor of the city of Timmins. Good afternoon. I am pleased to be able to welcome you here, as I recognize that you have welcomed us. I want to thank you on behalf of the members of the committee for the tokens of appreciation for our being here. Thank you very much.

Mr Victor Power: We're very pleased that you could come to Timmins today. I know you will bring those souvenirs away with you and think of us often in your deliberations at a much higher level.

I would mention that, regardless of the fact that the price of gold is down and that the price of zinc and the price of metal aren't where they should be, we're very optimistic here in Timmins that things will get better.

You probably came from the airport and came over the new bridge on the way to the hotel. As you know, what we call the old bridge is now being reconstructed, so we'll have, in a very short time, two new bridges. I want you to know that in Timmins, we probably won't be building any more bridges for a while, but it's not for lack of money. We've just run out of rivers.

In any event, I would like to welcome you to Timmins and thank you for the opportunity to provide input regarding Bill 12. This is, of course, An Act to provide choice and flexibility to Northern Residents in the establishment of service delivery mechanisms that recognize the unique circumstances of Northern Ontario and to allow increased efficiency and accountability in Area-wide Service Delivery.

I am making this presentation with great concern because of the experiences we have had with the development of a district social services administration board for the district of Cochrane. The city of Timmins was not able to come to a resolution with respect to representation on the DSSAB with our neighbouring communities within the district. We have now received a decision from the Minister of Community and Social Services, Janet Ecker, as well as the Minister of Northern Development and Mines, Chris Hodgson, who have decided representation on the Cochrane district social services administration board.

After reviewing Bill 12, it appears that this legislation should have preceded the legislation for district social services administration boards, because Bill 12 is deemed to be enabling legislation whereas the district social services administration board act is prescribed legislation, dictated by the provincial government.

I would first like to deal with Bill 12 in general and then proceed to more specific items with respect to this legislation. It is the opinion of the city of Timmins that the establishment of Bill 12 will encourage regional government in northern Ontario. Subsection 41(1) of Bill 12 mandates the six core services which the area services board shall provide, as well as listed optional services.

Paragraph 41(2)9 indicates that the minister may also designate any other service to the area services board for delivery.

If this section is utilized to its fullest, local municipal government would be minimized to providing only a few services at the local level. The city of Timmins believes that local decisions should be made at the local level. Further, area services boards have been granted the authority to tax under one of two taxation models.

Although the establishment of an area services board appears to be voluntary, in reality it is not. Municipalities are forced to develop district social services administration boards and provide at least the delivery of services for Ontario Works, child care and social housing, while at the same time paying for public health services, land ambulance services and homes for the aged.

We see no alternative but to roll into an area services board, because the additional core services mandated for delivery are currently downloaded and paid for by the district municipalities. How would this work, if some of the services were managed at a district level whereas some would be managed at a local level?

Our concern in the long term is that this legislation will lead to the formation of regional governments and that northern Ontario will be governed by 10 huge governments that will be the size of the districts as we know them now. Municipal councils will have virtually no authority and the regional government will decide everything.

I might mention as an aside that the city of Timmins, as it is presently constituted, is in itself bigger than the state of Rhode Island, so I don't know how much bigger we want to go. We're heading towards Texas, I guess.

Bill 12 does not take into consideration the geographical uniqueness of northern Ontario and the problems associated with travel during the winter months. In addition, it is contrary to the preamble of the act, which indicates that the act has been developed to recognize the unique circumstances of northern Ontario. It is our opinion that the unique circumstances of northern Ontario are not considered fully in this bill.

The city of Timmins also has serious concerns regarding its function as a local government entity once district social services administration boards are created. For example, when discussions begin with the Ministry of Northern Development and Mines regarding the establishment of an area services board, will the ministry deal solely with the Cochrane district social services administration board or will there be discussion with each of the local municipalities? Our concern is that once the Cochrane district social services administration board is created the provincial government will deal solely with that board.

Although Bill 12 has been described as permissive legislation, the city of Timmins has grave concerns regarding the powers delegated to the minister with respect to regulation without consultation. Subsection 38(3) indicates that the minister may amend an order as the minister considers appropriate, at the DSSAB's request or in any

other circumstances. This power is extremely far-reaching and provides the minister with an excessive amount of decision-making authority.

In addition, subsection 37(2) states that the minister may establish principles that municipalities, local services boards and residents of unorganized territories shall consider when developing a proposal to be submitted to the minister. There is no indication throughout the legislation as to what these principles may be, and once again it provides the minister with a tremendous amount of authority. If these principles relate to the process in general they may be fine, but if these principles deal with representation and items of a similar nature it is essential that the legislation speak specifically to these matters.

It may be argued that the minister would never impose his will as we have interpreted these particular clauses, but I would like to remind the committee that the city of Timmins is very cautious with respect to this authority because of the experiences we have had with the downloading of responsibility for provincial highways. The Minister of Transportation has exercised his authority and downloaded approximately 90 kilometres of provincial highways for the city of Timmins to maintain at the expense of the city's taxpayers. Therefore, we are concerned with respect to the authority given to ministers of the crown through legislation.

There do not appear to be any sections within Bill 12 that specifically discuss representation on the area services board. It is the position of the city of Timmins that since we have the majority of the population, the majority of households and the majority of the assessment, we should receive the majority of representation on any proposed area services board. We are not proposing this to the detriment of our neighbouring municipalities within the district. We firmly believe that Timmins should have a major influence in decision-making when the majority of the costs would be borne by the taxpayers of the city of Timmins. In fact, out of every \$5 in expenditures, we shall be paying more than \$3, or 61%.

1650

The next issues I would like to discuss are the sections of the legislation which deal with unorganized territories. Although these sections of the legislation do not directly impact on the city of Timmins, I feel mention must be made with respect to costs. Bill 12 provides for elections in unorganized territories to coincide with municipal elections under the Municipal Elections Act, 1996. Will the municipalities within the Cochrane district have to share in the payment of these election expenses or will the province pay for this expenditure?

Subsection 41(1) provides for the six core services to be delivered under an area services board. Included as a core service are homes for the aged under the Homes for the Aged and Rest Homes Act. The city of Timmins requires clarification of the following: Is this legislation only applicable to municipal homes for the aged or other long-term-care facilities? Does this legislation include charitable homes for the aged, private for-profit homes for

the aged and homes for the aged operated under the jurisdiction of a hospital?

Further clarification with respect to the delivery of services for homes for the aged must be provided, because in each of the districts of northern Ontario there are different circumstances with respect to governance. For example, in the district of Cochrane there is a charitable home for the aged in Kapuskasing; a home for the aged in Iroquois Falls, which is operated by the local hospital; and Timmins's Golden Manor Home for the Aged, which is a municipally operated home. If this legislation is only applicable to municipal homes for the aged, will Timmins's Golden Manor be rolled into an area services board and will the costs to operate that home be apportioned on a district level? If so, will the Golden Manor Home for the Aged be required to become a district home for the aged?

In addition, there are districts within northern Ontario that have one or more district homes for the aged within their geographical boundaries. How will these homes be managed? Will they be expected to consolidate management services to create efficiencies, and is it realistically possible to do this given the unique geography of northern Ontario? Further discussion must take place with respect to the inclusion of homes for the aged under this section of the legislation.

In conclusion, it is the strong position of the city of Timmins that Bill 12 be given further consideration. In keeping with the intent of the legislation, an independent body must be hired to substantiate financially that the creation of an area services board will in fact bring about increased efficiency and accountability.

Again I wish to thank the honourable members of the standing committee for your time and consideration this afternoon. We'd be pleased to answer whatever questions you might have.

Mr Hardeman: Good afternoon, Mr Mayor. Thank you for your very well formulated and informative presentation.

Mr Power: Thank you. It's good to see you again.

Mr Hardeman: First of all, just a quick clarification: The act does only apply to municipal homes for the aged, not long-term-care facilities. Your pointing that out may very well point out that this needs to be clarified in the legislation, to make sure that all understand that.

One of the things I'd like to ask you is: In our two days of hearings in four different venues in northern Ontario the issue of the permissiveness of the legislation comes into question when you look at the area of an area services board and that it would be based on some level of support required to form an area services board. In almost every presentation where that concern is expressed, it is always brought out that the largest player in the area would have the voice in whether an area services board would be set up or whether it wouldn't, because not only would they apply as one municipality, but they also have, when it comes to the majority of the population — what shall we say? — a slightly more advantageous position. Yet in your position you seem to indicate that you think an area

services board could very well be put in place in the Timmins area without support of the council of the city of Timmins.

Mr Power: I certainly didn't want to leave that impression. If there were an area services board, probably the city of Timmins would have to be part of it. Frankly, as I pointed out earlier in the aside, the city of Timmins is big enough now. Twenty-five years ago we went through, in miniature, the same debate they had in Toronto last year about consolidation of the city. The city of Timmins was consolidated exactly 25 years ago: January 1, 1973. It's a huge area to cover. We say that local decisions should be made at the local level and we're really not looking to spread our wings, to tell you the truth. We can manage nicely and I think the Cochrane North coalition can manage nicely on their own. They're doing a good job.

Over the past few months, as Mayor Caron indicated a while ago, there has been a bit of bitterness over the DSSAB. We realize where they're coming from and I think they realize where we're coming from. I don't think there should be any mad rush to get into area services boards. Our municipality — and I can only speak for the city of Timmins — is handling things rather well right now. As a matter of fact, even our municipal tax increase this year was only 2.89%. We didn't do badly. I don't know what the advantage would be. Why is bigger always better? We're big enough now.

Mr Michael Brown: Thank you, Mayor Power, for the pen and gold bar.

Mr Power: When the price goes up it'll be worth more.

Mr Michael Brown: I'm sure it will appreciate in the next little bit.

I was interested in your analysis too. I think you're right: As far as the area service boards go, they're coming and you will get them. That's the way this legislation is drafted, and by fiscal means the government will accomplish this. I do note that I think they're fighting words when you spell out what is obviously your position on representation on that board. If I was from Timmins, that's the position I would take. I would not be very happy about that if I was from Hearst.

Mr Power: No, but you see — go ahead.

Mr Michael Brown: I understand your position and Mayor Caron's point, that it's just setting municipality against municipality, community against community. I notice that in the northeast, the region of Sudbury is standing alone in this DSSAB arrangement, with Sudbury district and Manitoulin against their will being lumped in together, Algoma being separate from Sault Ste Marie. So it would seem to me if the government had any kind of consistency, it would believe that Timmins should stand on its own and the other DSSAB would be the rest of the Cochrane communities. But that's apparently not what's happening.

I am concerned that there are not efficiencies here either. I'm from a very small community. I know that smaller is not always more expensive, but often smaller is better. Sometimes it is more expensive, but there's no rule

that says bigger is better or smaller is better; you have to look at these case by case. Your experience in Timmins I guess would bear that out.

Mr Power: I would say that is correct. We could go to the school boards for an example. The huge school boards have not necessarily become more efficient; I don't think anybody could argue that point. I don't think an area services board would necessarily be more efficient; in fact, I have my doubts.

Mr Michael Brown: I have grave doubts.

Mr Power: As far as representation goes, the day that Nova Scotia has more seats in the House of Commons than Ontario, then I would believe that this business of representation by population has then gone out the window, but until that type of thing happens I think we pretty well have to stay with the type of thinking we have.

Mr Bisson: We did get more seats in Nova Scotia; they went NDP.

Mr Power: I guess bigger is not better.

Mr Bisson: Coming from you, I don't know.

I'm trying to look at this from the perspective of the taxpayer and take away my politician's hat. I say to myself, you're making the claim in this document that I've come to when reading the legislation, and a lot of other people have, which is that in the long run we're going to end up with regional government. There will be 10 regional governments across northern Ontario. They will have the taxing power; they will run most of the services. Local municipalities like Timmins will be a thing of memory; it'll be a small band of people who sit around the table and talk about where the stop sign goes, or smaller issues.

I'm looking it as a taxpayer, and I've got to ask you the question as the mayor of one of the only five big cities in northern Ontario: How am I better off as a taxpayer by having a regional government deliver services in my community? Am I going to be better off when it comes to the tax rate? Am I going to be better off when it comes to services being delivered?

1700

Mr Power: You couldn't possibly be better off, Mr Bisson, because right now when your tax bill comes out, at least you know who to call. If you have a problem with the city, you know who to call or you know someone who knows someone who can fix it, but if you get into a regional government, it's going to be another bureaucratic set-up. This is the type of thing that none of us believes in.

Mr Bisson: Wouldn't it be more government adding to the cost in the longer run when you really look at it?

Mr Power: I'm sure it's going to be more costly. As I say, I remember when the regional school boards were coming in and they were supposed to be a whole lot better, but it didn't necessarily end up that way.

Mr Bisson: We already have in our district, for example, when it comes to welfare, the city of Timmins runs their welfare department for a city of some 50,000 and the Cochrane district runs their own welfare system for the Highway 11 corridor.

Mr Power: That's right.

Mr Bisson: In your view, is that a sensible way of doing business? Are we better off going under one ASB to do all of that?

Mr Power: No. I think it's better the way we have it as of this moment. I'll give you an example. In the city of Timmins — I'm not criticizing anybody when I say this; this is just the way it has to be because of the population breakdown — we have one caseworker in welfare for 225 clients. In other areas they have one caseworker for 95 clients. So I ask you, what's going to happen if we decide on a magic number like, say, 125 or something? We're going to double the number of employees just in that part of the operation alone. Is that efficiency? I can't see it.

Mr Bisson: Sid Ryan would like it.

The Vice-Chair: Thank you very much for presenting your views today.

BEN LEFEBVRE

The Vice-Chair: I'd like to call on Ben Lefebvre. Good afternoon and welcome to the standing committee.

Mr Ben Lefebvre: Thank you, Madam Chair, committee members, for showing up here.

First I'd like to point out that although I'm a recently elected councillor for the town of Iroquois Falls, which is about 45 minutes from here, I do not represent the views of the town of Iroquois Falls. Quite frankly, that would limit the expression of my views, and I am a hard man to hold down. Therefore, we'll begin.

I would like to welcome you to Timmins and thank you for allowing me to speak here today. I have reviewed Bill 12 in its entirety and have come away from the exercise with some apprehension, I must admit. I will attempt to confine my comments to the bill as it is presented. My first point is to bring your attention to the bill's title which begins and ends with these words: An Act to provide choice and flexibility to Northern Residents...to allow increased efficiency and accountability in Area-wide Service Delivery." As I see it, the choice and flexibility is quickly spelled out in clause 37(1)(b), where it states "that the proposal has the degree of support of the municipalities and local services boards and of the residents of the unorganized territory in the board area." This is a very important point and needs to be remembered as this legislation is rammed through Parliament.

The very next subsection, however, states, "The minister may establish principles that municipalities, local services boards and residents of unorganized territory shall consider when developing a proposal to be submitted to the minister." Imposition of the minister's principles on the new entity would hardly provide much choice and flexibility to northern residents, as was suggested in the title of the bill. Section 38 goes on to spell out the powers of the minister, including clause 1(e) where he or she may "designate the additional services...that the board shall provide," and further in subsection (3) where, "The minister may amend an order as the minister considers appropriate, at the board's request or in any other circumstances." Pretty broad statement.

Subsection 55(4) then goes on to say, "The minister may make regulations, which may be general or particular in their application, varying, limiting or excluding the powers and duties...of boards and their officers." Wow, I thought that type of control was reserved only for the likes of Ghengis Khan and Joseph Stalin.

This legislation would provide the minister the flexibility to create regional governments under the guise of area services boards. This legislation is the quintessential download. This legislation would allow the minister the latitude, either by order or through coercion, to empower the area services boards to set themselves up as yet another level of government.

All of this is being provided to us by the very party that promised us disentanglement and simplification in the delivery of government services. I suppose that may be true in the end, because by the time all is said and done, government as we know it in the province of Ontario will be a shadow of what it once was.

In our area the government recently allowed municipalities to opt out of a 30-year-old funding arrangement that basically mirrored a portion of the existing proposal for the creation of ASBs. Twelve regional municipalities contributed to the Cochrane district homes for the aged. This government-sponsored abandonment wreaked havoc between the former municipal coalition and divided the communities where the two homes for the aged existed, Iroquois Falls and Kapuskasing. They were both spoken about before by Mr Caron. People lost their jobs; others took hefty cuts in their wages. Worst of all, it instilled uncertainty in the residents, who were affected by the rumours of closure threatened as a result of funding constraints.

My point is this: When given the opportunity to opt out of providing funding to what many people consider essential services, such as seniors' programs, child care and social housing, the majority of people would turn their backs because they are not personally affected by such decisions.

That is why it is so essential to ensure provincial standards are maintained. If municipalities become responsible for paying for such services, they will request "say for pay." How will the government, in all good conscience, deny that to the taxpayers of Ontario? Worse yet, how will municipal governments deny that to their own constituents? This proposed legislation will make good guys out of the provincial government and bad guys out of mayors and council. Our friends and neighbours will see us as the enemy, as the unscrupulous taxman, as the callous autocrat.

I take exception to subsection 39(5), where it says, "A board member who represents a municipality shall be appointed by the council from among their number." The responsibilities given to ASBs and the potential to increase that responsibility by ministerial decree hold that such a position could soon turn into a full-time job. No one from our council can afford the time required to represent our municipality in a full-time capacity. Who is going to pay for such dedication to such an important job?

For the purposes of continuity on such a board, I would like to suggest that this bill should allow municipalities to appoint their sitting member from the municipality itself, and not exclusively from "among their number" as suggested above. This would give us true flexibility should the bill pass into legislation.

The legislation makes provision for taxation powers to be given to the proposed ASBs. This from the same government that promised lower taxes? This from the same government that promised revenue-neutrality in their recent downloading exercises?

Supplemental board funding is supposed to come from the government "in accordance with the apportionment formula established by the Lieutenant Governor in Council." This formula has not been spelled out and I suggest really needs to be. Municipalities would be buying a pig in a poke without first knowing what that ratio was going to be. Municipal confidence in this government has been dealt a severe blow of late. It's hard to suggest blind faith be our guide at this time.

One final point: Paragraphs 8 and 9 of subsection 41(2) are all-encompassing statements, far too general to be allowed to go unchallenged. Paragraph 8 provides the possibility that roads and bridges could be downloaded to the municipalities through the ASBs. This also implies that all provincial highways within the boundaries of the ASB could become the responsibility of that ASB. The taxpayers of northern Ontario simply cannot afford the road network that we have up here, the same road network that benefits the economy of the entire province and actually drives it.

1710

In closing, I'd like to suggest that there need to be several amendments made before this bill is passed. Northern Ontario has a separate reality from the rest of the province, that's for certain. Many of the services suggested for the proposed ASBs are already being delivered in similar fashion. I therefore question the relevance of such legislation at this time. Is this simply a punishment for rejecting the Harris agenda and his Common Sense Revolution by northerners? Although it is said to be enabling, once accepted by a municipality or an agglomeration of communities, the powers vested in the Minister of Northern Development and Mines through this legislation should only be reserved to God Himself, and I know He doesn't sit in the Conservative Party. I do not support this legislation as it presently stands.

Mr Michael Brown: Thank you for coming. I think you're expressing the view of many people who have come before the committee over the last couple of days. I think this is an unhappy development. We're the square peg and we're trying to fit into southern Ontario's round hole. I'm not so sure it works so well down there either.

The geography of northern Ontario and communities of interest of northern Ontario are basically inefficient. If we really want to come down to it, we had the doctor from the health units come and say it should be 150,000 people. There's only about 800,000 to 900,000 in all of northern Ontario, about 90% of the land mass.

The problem the government has is that they keep talking about efficiencies in what is obviously going to be an inefficient place to deliver service. On the other hand, we provide in northern Ontario a huge amount of the revenue and, as you said, drive the economy of the province from our mines, our forests, our resources in general.

I guess what you're saying is we have to have solutions that are more appropriate to northern Ontario. Some kind of solution that might work for Lambton county isn't going to work for Cochrane. Am I getting the drift here?

Mr Lefebvre: Absolutely. Mayor Vic Power mentioned a while ago about the amalgamation in Timmins 25 years ago. Well, 51 years ago the same type of amalgamation took place in Iroquois Falls, where we pulled in five or six communities in a surrounding area to deliver services that were deemed appropriate and manageable in a geographic area that was manageable. Now we're talking about, as was mentioned by Dr Kaczmarek, that it's going to be the size of France. Let's get real with this thing. There's only so much geography that we can take into account in one go.

Mr Michael Brown: Have you struck your mill rate yet in Iroquois Falls?

Mr Lefebvre: I'd rather not mention that right now; there may be taxpayers in the crowd. Actually, we're going to be announcing it at Monday night's council meeting coming up. But yes, we've decided what that is, and it's scary.

Mr Michael Brown: Your taxpayers will be getting that news shortly in the mail, I take it?

Mr Lefebvre: Actually, it will be on television on Monday night. I wish the Harris government could see it.

The Vice-Chair: We'll move to Mr Bisson.

Mr Bisson: Just before I get to the question, I think the point that you make, where municipal councillors are now having to make decisions about what service should be delivered and what the rate of taxation is based on the downloading, really puts you guys out to dry and makes you out to be the bad guys, because I don't think at the local level most people understand who pays for what service. All they know is that when they go to a district home for the aged or a public health unit or whatever it might be for services, the taxpayer pays for it. That's all they know, by and large. These people are now having to make all of those decisions based on downloading.

I want to get back to the issue of the district home for the aged. Iroquois Falls, as Kapuskasing, is going to find itself in a really weird position. If I understand the legislation correctly, they're going to apportion the cost of those municipal homes for the aged, such as the Golden Manor, across the district once the ASB is put in place, which for the city of Timmins is a great deal. It means we get to share the cost of the Golden Manor, which is a prime facility, across the entire district. So people in Iroquois Falls, Hearst, Kapuskasing, Smooth Rock Falls, all of them are going to have to pay. But Iroquois Falls and Kapuskasing, because the Tories allowed everybody else to opt out of the district homes for the aged board of

the Cochrane district and now you have two independent facilities, will on top of that not only have to pay the apportionment cost of the homes for the aged under the ASB, such as the Golden Manor, but will be stuck with the bill for the original homes for the aged that would have been under the apportionment if the Tories had not allowed it to go the way that it is. So what do you guys now do with the apportioned cost or the cost that you're paying for the Centennial Manor?

Mr Lefebvre: We've already promised the hospital board that we would maintain the existing level of funding, last year's level of funding, for at least three more years, through the mandate of this present term.

Mr Bisson: But the question is after —

Mr Lefebvre: If ASB is mandated by the end of this year, the flip side of that is what happens — because of the fact that we're already contributing to our own local home, does that exempt us from having to contribute to the ASB? I don't think so.

Mr Bisson: No.

Mr Lefebvre: I would think that the regional municipalities, particularly the ones that were close to Iroquois Falls and Kapuskasing, as in the past within the northern coalition, should be forced to contribute their fair share to the running of that board. I know that's not part of the legislation, but I don't understand why they allowed the municipalities to opt out to begin with. It was a real problem. This decision affected people's lives in a big way in the town of Iroquois Falls, and I'm sure the same in Kapuskasing.

Mr Bisson: We're going to have chaos in Kapuskasing and in Iroquois Falls in about two years' time when all of this is put in place, and we will end up with an ASB up here. You're going to have real chaos because I don't believe Kapuskasing and Iroquois Falls will want to pay apportionment costs of the entire district and then separately have to pay for their own homes for the aged because the government allowed them to be pulled out in the first place. So is this chaos or is this organized chaos?

Mr Lefebvre: One tends to wonder.

Mr Preston: Thank you very much for your presentation. It's quite obvious that across the north there is a great diversity of opinion. We've travelled completely across the north in the last week, believe me. We have gone anywhere from, "We don't want anything to do with this" to "Aren't we proud because we asked for it and it's come forward."

The Northwestern Ontario Municipal Association is very proud that they asked to have this legislation put forward, very proud that one of their members put in the basis for this bill. I guess what I'm really saying is that there are problems inherent in this bill for some people, some municipalities, some areas, some districts, and there are great rewards for others.

One of the reasons we go on these tours is to find out what the problems are so they can be changed. Your suggestion that there have to be a lot of amendments to this bill did not come with suggestions for amendments. I feel that if a person's going to knock something, tell us

how to do it right. If you'd like to do that and send it to this committee's attention —

Interjection.

Mr Preston: Do you have a problem, sir? Do you have a medical problem? I heard you groan.

If you do have suggestions for amendments, I would suggest that you send them forward. We've been to many places, and medical officers of health are saying that this bill is great.

Mr Bisson: Who?

1720

Mr Preston: You haven't travelled the whole trip; I have.

Some mayors, reeves, council members, both for and opposed, have come up with suggestions for amendments, and I would be happy if you would do that for us. Thank you.

The Vice-Chair: One minute left.

Mr Hardeman: Thank you for your presentation. Just a couple of areas where your presentation asked questions as opposed to doing it directly: There have been other presentations talking about the apportionment of costs, particularly as it relates to the home for the aged. I would point out to all those gathered that there is no direction in the bill as to how the taxation or the apportionment shall take place. Each area services board, as it's being proposed by the municipalities or by the people of the north, would indicate in their proposal how they were going to deal with funding and how they were going to tax for the services, the core services, that the board will be providing. So indeed they could in their proposal allocate the funding for a certain home for the aged in the same way that it is presently allocated if the members of the board, or the proposers of the board, deem that to be the appropriate way to fund the service.

The other area that generally I find very important is that you hinted on the appointment of people other than elected officials.

Mr Lefebvre: One of my suggestions.

Mr Hardeman: One of the concerns that has been expressed, particularly by the Association of Municipalities of Ontario and FONOM and NOMA, was the issue that if you appoint people other than elected people to special-purpose bodies, you have totally lost the accountability. In fact, in their position, the taxpayers have a right to have the people they elect be accountable for the money being spent. So if you have taxing authority in a special-purpose body, you have to have elected people there to be responsible for that taxing authority. That's the government's reason for making that an elected appointment, as opposed to just someone from the community being appointed.

Mr Lefebvre: Every municipality that I know of has a CAO who is responsible for spending all of the money in their municipality. He is not an elected individual. He is hired. He is there for continuity purposes and for his expertise.

Mr Hardeman: I guess from a —

The Vice-Chair: Thank you. I'm sorry, we've run out of time. We appreciate your coming. Thank you very much.

Mr Hardeman: No CAO has the power to spend money.

The Vice-Chair: I'd like to call on Mike Morrisette, the clerk administrator for the town of Iroquois Falls.

Mr Bisson: On a point of order, Chair: The standing orders give the power to the assembly to set committees out in order to look at bills in detail after second reading, and further, the subcommittees of that committee are then allowed to make decisions about what communities they want to go to in order to hear people's input on a particular bill. I take some offence on the point made by Mr Preston across the way saying that people who come to this committee and have something to say that may not be nice to the government somehow don't have something valid to say. For you to say to them —

Mr Preston: I did not say that.

Mr Bisson: Just to finish, for you to say to them, "If you're going to come here and knock it, at least you've got to give what you would do instead," I think is unfair. Committees have travelled not only under your government but under every government, and we've always had the courtesy to listen. I would ask you to do that to the people of my community and not come in here and start to insult them in the way that you did.

The Vice-Chair: Mr Bisson, I must point out to you that that's not a point of order.

Mr Preston: On a point of personal privilege, please: I at no time insulted the gentleman that was here. I asked for his suggestions to be sent to us so that we could implement them. I don't believe that to be an insult. If I ask you for something and you can't provide it, maybe that's an insult.

Mr Bisson: Insinuating that he can't provide —

Mr Preston: I didn't say that. I asked him to come forward —

The Vice-Chair: Excuse me, Mr Preston. We are not able to rule on a point of privilege, so we'll carry on.

TOWN OF IROQUOIS FALLS

The Vice-Chair: Mr Morrisette, welcome to the standing committee.

Mr Mike Morrisette: Members of the standing committee, I would like to thank you on behalf of the town of Iroquois Falls for the opportunity to appear before you today to present the town of Iroquois Falls's concerns regarding Bill 12.

As we know, the government of the day is very keen on centralization and will go to any length to enact or introduce permissive legislation that will support its philosophy without any regard for negative impacts that may arise as a result of its actions. In particular, the Northern Services Improvement Act is not designed to provide the choice and flexibility it claims to be providing, it does not allow increased efficiency, and it does not allow for increased accountability.

When I looked up the word "efficiency" in my dictionary, part of the definition reads as follows: "Power of producing intended effect." The only intended effect Bill 12 will provide is the creation of yet another layer of bureaucracy called either upper tier or regional government. Municipalities actually will have no "power to produce intended effect" or have any "flexibility or choice to produce intended effect." The minister through Bill 12 gives himself all the power to prescribe and impose anything he or she so wishes without flexibility or choice.

For example, the minister may establish a board, may establish representation, may establish number of board members, may establish term of office, may specify the territory a member will represent, may establish boundaries in which services will be provided, may designate any additional services he or she so wishes the so-called regional government to provide. Just as an example here, if the minister deems it appropriate to transfer Highway 655 between Timmins and Driftwood to an ASB without the consensus of the participating municipalities, would you call that a choice? I wouldn't.

He may also amend an order as considered appropriate at the regional government's request — I call the ASBs regional governments because I think they're equivalent — or in any other circumstances. That's also a broad statement which gives him carte blanche to impose anything that he wishes on municipalities.

He may designate areas within the designated boundaries where no services will be provided. He can decide whether a board may or may not charge fees for services. He can decide whether a board may or may not enter into an agreement for the provision of a required or prescribed service. He can postpone a board's duties to provide a service.

The minister also has established all the core services which shall be provided including taxation powers, which the ASBs don't have.

The council of the town of Iroquois Falls does not see Bill 12 as a tool to provide flexibility to make local decisions regarding governance structures and service delivery. Every aspect of Bill 12 is designed to impose upon municipalities rather than giving them the power and the tools to mould their proper future. For these reasons, the town of Iroquois Falls does not support this legislation and does not believe it will give northern municipalities the "power to produce intended effect."

My suggestion, although not written in this paper, is that this bill be relooked at completely. Perhaps you can come back and talk to the people in the north and ask for their input into it. Maybe then you would get suggestions that would be truly worthy of northern Ontario.

For the record for this committee, Iroquois Falls does not support AMO's report 98/007 presented to the standing committee in regard to Bill 12. It does not represent the views and positions of all northern Ontario municipalities. Therefore, we formally request that the standing committee disregard AMO's report 98/007 in its entirety. Thank you.

Mr Bisson: Thank you very much for your presentation. I guess what you've said is what I've heard from a lot of people in dealing with this bill up to this point, which is that basically it's regional government by the back door. You're going to be forced into a DSSAB. Once you're into a DSSAB, municipalities will end up under the ASB one way or another, and once you have the ASB you'll have a regional government and municipalities will not be the same types of structures that we know now.

1730

I want to get back to the highway issue, because Iroquois Falls, like Timmins, was affected quite negatively in the downloading of highways. I won't go through all the details, but the minister decided to transfer over a number of provincial highways and Iroquois Falls and Timmins were probably the two communities that were most affected, in the northern part of the province anyway, when it comes to the download. As I read the legislation prescribed under subsection 41(2), the minister can transfer further highways into this new regional government. What do you read that to mean as a municipality that already has got a whole lot of highways transferred to it?

Mr Morrisette: Mr Power just alluded to the two beautiful bridges they have in Timmins. They may become regional bridges, for all I know. The minister has that power to transfer to the rest of the area.

Mr Bisson: But you get Highway 655 that runs out to Smooth Rock, Highway 11 that goes from Hearst all the way down to Matheson, which would be the southern part of the district. Do you fear that there are parts of that that the minister would transfer over to the ASB because they would see them as local roads?

Mr Morrisette: A similar highway, Highway 67, was transferred partially to the city of Timmins and partially to the town of Iroquois Falls. It serves practically the same purposes as 655. The minister cannot transfer 655 at this time because it doesn't abut any of the neighbouring municipalities, it's in the middle of nowhere, and he would be hard-pressed to transfer it to anybody else. Being in the region, and who accesses 655 accesses Timmins and Hearst, and everybody from Cochrane and the northern region travels to Timmins through that highway, he would definitely deem it to be a regional road and would transfer it to an ASB. I can see that.

Mr Bisson: Under subsection 41(2), the last part of it says that the minister will have the ability to download "Any other service designated by the minister." That means to say that you walk into this with your eyes open, saying, "I'm going to six core essential services, 1 through 6: child care, welfare, public health, social housing, land ambulance and homes for the aged." You say, "I'm ready for this, here it comes." You get it, and then it says the minister can download a whole bunch of other services, including airports, police and other services, but the kicker at the bottom, it says, in that paragraph 9, "Any other service designated by the minister." Does that mean what I think it means, that you can get absolutely anything downloaded from the province to you, by law?

Mr Morrisette: Absolutely, carte blanche.

Mr Hardeman: Thank you for your presentation, Mr Mayor. I just wanted to make a couple of clarifications in interpretation, as I see it, not necessarily debating as to right or wrong.

In your presentation you talk about the examples of what the minister may do and that somehow it takes away from the permissiveness of the legislation. I want to point out, at least in the government's view and my interpretation of the bill, that it is a totally permissive piece of legislation and it's not every community in the north, as very many communities may not want to create an area services board and some may.

I would point out the things that the minister may do that follow the clause in the bill that says, "Upon receiving an application." This does not give the minister the ability to do all those things in an area where the municipalities have not got together and made decisions on how they're going to provide services, how they're going to pay for those services and how they're going to represent their taxpayers on that board.

The local initiative would, first of all, decide on whether they want an area services board; second, if they want an area services board, the geographic area they want to deal with. Obviously the core services are mandated, if they put an area services board in place. They get to decide whether they want to add more than the core services. The participants in this application may very well want to provide more than the core services to get an efficient and effective way of delivering those services. Upon getting that completed, the minister may make these adjustments or may implement those decisions of the local inhabitants through regulation as opposed to legislation.

Mr Morrisette: That's the portion we don't want. Local decisions should remain local. Mayor Vic Power mentioned that, and I fully support that. The Ontario government is not as close to the people as the local governments are. They are the ones that answer to these people and are responsible to the taxpayers of the communities and they are closest to it. They should be the ones making the decisions that will affect those residents.

Mr Hardeman: Again, I want to make sure of at least our interpretation of the act. I think it's very important that we understand what the implications are, and if corrections are needed, they will be implemented. Legislatively or regulation-wise, in order to legally implement the application put forward by the inhabitants of an area services board, the minister has to have the ability through legislation to pass a regulation to implement it. That must include what the minister has the power to do at the request of the local inhabitants. Just because the local people decide doesn't make it so; it has to have the weight of law to do it.

Mr Morrisette: I disagree with you.

Mr Hardeman: That's my interpretation of the reason for that to be there. We will definitely be looking at that, to make sure that is the end result of that.

The other thing that is somewhat concerning is the last comment that, "We formally request that the standing committee disregard," a report that was presented to the committee. I accept that one would disagree with the report, but do you not see that as at least the opinion of a number of municipalities in the north?

Mr Morrisette: No, I don't. If it was from the Federation of Northern Ontario Municipalities, I would probably not have put that comment in the report, but it's from the Association of Municipalities of Ontario and not necessarily all municipalities in northern Ontario are members of that association. Definitely, they represent the municipalities of Ontario as a whole and northern Ontario is a very small part of that.

Mr Michael Brown: Thank you, Mr Morrisette, for taking the time to come and see us this afternoon. I thought I might be happy to be somewhere else this afternoon, given the fine weather you've provided us with here in Timmins. I take it you're the numbers guy in Iroquois Falls.

Mr Morrisette: No, we have a treasurer.

Mr Michael Brown: Oh, you have a treasurer. But you're the treasurer's boss, probably. The downloading to date has been revenue-neutral, I take it?

Mr Morrisette: No, it hasn't. I will be presenting a paper on that to ministers Tony Clement and Chris Hodgson at AMO. We are \$284,000 short on the transfers. I will bring the big picture to Mr Clement, as he requested the municipality to do, and he will take it up with the Minister of Finance.

Mr Michael Brown: Does that include the transition funds and all the various coffers of government?

Mr Morrisette: I have added all the transfers from the province of Ontario, yes.

Mr Michael Brown: I know this is asking you to extrapolate a little bit. Would you see a DSSAB, and probably the ASB from that, as being more efficient?

Mr Morrisette: No, I wouldn't, because centralization will benefit centres and it will take away from all the smaller communities. You are killing rural Ontario. Prior to working for the town of Iroquois Falls, I was working for a smaller community up in the Kapuskasing area, a place called Fauquier, with 750 population, approximately. It's a small rural town. They're a vital part of Ontario and your government is killing it —

Mr Michael Brown: Not my government.

Mr Morrisette: The provincial government of the day is trying to kill small rural municipalities. They are centralizing these massive areas. You're taking away the heart of all these, and I don't agree with it. That's centralization and DSSAB is part of that. ASB will be it.

Mr Michael Brown: So if I'm to understand you right, you have a \$284,000 shortfall in being revenue-neutral out of this exercise. You foresee, out of this exercise, escalating costs for the property taxpayer in Iroquois Falls if you are forced into the DSSAB and probably eventually into the ASB.

Mr Morrisette: Absolutely, and we are going to tell our taxpayers just that. The minister, with the transfer of

highways, has given us a few pennies. When I asked the minister if those pennies were for operating purposes or for future capital purposes, he had a hard time answering, because both answers would not have been appropriate. If he gave it for operating, there's probably enough money to cover about two years' operations. So in fact they have deferred the tax increase for two years. By then an election would have gone through, and who do we blame in two years? They'll say: "No, that went through two years ago. You can't blame that on us. That's mismanagement." The blame will come back on town council. I agree that they should pass that on immediately and not use those funds, because that's exactly what is going to happen. It's simply a deferral. That's part of our shortfall.

Mr Michael Brown: In a past life I happened to be the president of the Manitoulin municipalities. I think the largest of the Manitoulin municipalities had 1,400 people at the time, so I can relate to small communities. One of the things I know about small communities and groups of small communities is they are often baffled by social services and those kinds of issues, not because they're not well-intentioned, not because of anything else; it's just that their familiarity with the issues surrounding them

doesn't tend to be great and when you're getting beat up at the council table about the pothole over here, that tends to be what you reflect on. Do you see the DSSAB as something you really believe somebody from your council could be effective upon in voicing the view of Iroquois Falls ratepayers?

Mr Morrisette: I would have preferred to see two DSSABs in northern Ontario: one for Cochrane North and one for Cochrane South. Of course, the minister sees fit that there should be one and we have no choice or flexibility on that matter. What will happen with the current wishes of the minister to impose one DSSAB on our area is that the cost of services in Timmins might be about here and ours is there, and this is what's going to happen. The centre will benefit by its costs being reduced. The money will not flow from Timmins to the smaller communities, the money will flow from the smaller communities into Timmins, and it will become more expensive for the rest of the area.

The Vice-Chair: Thank you very much, Mr Morrisette, for being here today and giving us your views. This concludes our hearings.

The committee adjourned at 1748.

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Loi de 1998 sur l'amélioration
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Thursday 8 October 1998

Jeudi 8 octobre 1998

*The committee met at 1007 in committee room 1.*NORTHERN SERVICES
IMPROVEMENT ACT, 1998LOI DE 1998 SUR L'AMÉLIORATION
DES SERVICES PUBLICS
DANS LE NORD DE L'ONTARIO

Consideration of Bill 12, An Act to provide choice and flexibility to Northern Residents in the establishment of service delivery mechanisms that recognize the unique circumstances of Northern Ontario and to allow increased efficiency and accountability in Area-wide Service Delivery / Projet de loi 12, Loi visant à offrir aux résidents du Nord plus de choix et de souplesse dans la mise en place de mécanismes de prestation des services qui tiennent compte de la situation unique du Nord de l'Ontario et à permettre l'accroissement de l'efficacité et de la responsabilité en ce qui concerne la prestation des services à l'échelle régionale.

The Chair (Mr John O'Toole): I'd like to call the meeting to order. Welcome, members. I'll just give a little background. I first want to thank the Vice-Chair, Julia Munro, for chairing the hearings that were held in August in Thunder Bay, Kenora, Sault Ste Marie and Timmins and thank the members for their participation.

I gather the subcommittee had agreed that there would be some time allocated for each individual party to make a 10-minute statement with respect to Bill 12. Also, just an administrative issue: Tom advises me that the NDP amendments have been tabled with the clerk this morning and we're just waiting for those to be copied and circulated for members of the committee. In the interim, it would probably be advisable if we proceeded with the introductory statements by committee members. If there's no opposition to that, I would now commence the process of recognizing the Liberal Party first to make their opening statements.

Mr Rick Bartolucci (Sudbury): Let me start off by saying that we shouldn't lose sight here of what the reality is with Bill 12. This legislation is only needed because of Mike Harris's massive dumping of responsibilities on to municipalities. Let's get this straight: Harris's downloading of services hits northern Ontario the hardest. That's been documented in studies by KPMG; it's been documented throughout the north during the presentations.

There are, and continue to be, severe concerns with regard to this massive downloading on to municipalities.

Many municipalities do not have the sufficient tax base to absorb the massive shift in responsibilities. The parliamentary secretary, the Vice-Chair of this committee and the members of this committee were told that repeatedly over the course of the public hearings and those limited hearings which happened before. In particular, the high cost of long-term health care, highway maintenance and repair, ambulance services and social housing are all concerns that were addressed at the different stops along the way during the committee hearings. We have municipalities that are facing 25%, 50% and even 100% property tax increases. They don't have a clue of how they're going to be able to cope with the massive dumping of services.

The Minister for Northern Development and Mines issued a press release on December 19, 1996, stating that his government, the Tory government, recognizes the higher costs that northern municipalities face in delivering local services, as well as the assessment difficulties unique to resource-based communities. In itself, that sounded pretty good. He quoted a 1989 government study that proved that the cost of providing municipal services was 16.2% higher in northern municipalities than it was in the rest of the province. We in the north were hopeful that he would understand the severity of the statements he was making.

Despite that, this present government, the present Minister of Northern Development and Mines, eliminated all municipal support grants and any form of special provincial support for northern municipalities on an ongoing, long-term basis. Many smaller northern communities have a disproportionately small business property tax base and a disproportionately high level of seniors, people unable to absorb an increase in property taxes and those relying on the highest level of municipal services. Again you learned, as you travelled across northern Ontario, that smaller northern communities do not have the resources to undertake major capital projects: seniors' homes, public and non-profit housing, water and sewer projects, maintenance of highways, reconstruction of highways. You heard repeatedly the concern with regard to a transportation system that is crumbling, that we in the north rely on to expand a very limited resource base.

With this massive dumping, you're forcing municipal amalgamations across the north. Forced municipal amal-

gamation and annexation will result in the winning and losing in municipalities across the north, pitting one community against another and possibly resulting in nasty amalgamation and annexation fights. I think the parliamentary secretary for the Minister of Northern Development and Mines, the minister, certainly those who deal directly with the north, are seeing that this is coming to fruition, and over the course of the last little while there have been several amalgamations that have been anything but what I think any one of us around this table in this committee wanted in the first place.

It's important to understand that we'll consider the clause-by-clause of Bill 12 today, but let's not forget for a second what's really going on here. This isn't about improving services delivery in the north. This is about the massive dumping of costs on the property taxpayers of northern Ontario.

I was happy that the government chose to have these hearings, and I'll say that publicly, but I'm concerned. I was concerned in the past and I've explained this to the parliamentary assistant; I've said it in the House and I'll say it again today: I honestly believe that we heard excellent presentations from across northern Ontario, but there are still those areas, those sections, those unorganized townships that have major concerns that for a variety of reasons didn't have the opportunity to present. The consultation process, although it was there, and I'll admit it was there, was certainly not as complete as it should have been. Because it wasn't as complete as it should have been, I think we've missed a very important component of northern Ontario.

I'm also concerned — and we'll deal with this later, I hope — with some of the presentations that we received and the government isn't acting upon the recommendations. Let me refer to one specifically, and that's with regard to the OMA, the Ontario Medical Association, urging the government to make what I consider to be very realistic recommendations. I'm concerned, as is the OMA, that sections 34 and 38 of the bill mandate that the decision-making powers for public health in the north will reside with the Minister of Northern Development and Mines. I honestly believe that's a mistake.

You know what? You cannot believe that there's going to be that consultation between ministries. We deal with the political process day by day and we know that that communication, although we would like it to be expanded, is limited in scope because everyone seems to be isolated and more intent on doing their own thing as opposed to what is in the better interests of the people in a particular area, specifically northern Ontario in this instance. This afternoon we will be tabling further amendments, which will bring in the OMA concerns. I would suggest to the Chair, to the parliamentary assistant and to the committee that had the government acted upon these, clause-by-clause could have been relatively simple.

I know this is amending legislation. I also know that you can either buy in or buy out of it, but I honestly believe it has to be a little bit more specific. One of our recommendations will be that Sudbury is excluded from

this piece of legislation. The reality is, if you define it either broadly or specifically, Sudbury is already in the particular mode which Bill 12 gives other municipalities and areas the opportunity to either buy in or buy out of. To avoid confusion, to ensure that there isn't another level of government, to ensure that everyone understands the rules, that the Minister of Community and Social Services are allowed to fulfill their DSSAB requirements, to ensure that there isn't a duplication of government, to ensure that that other level of government does not come into being because of Bill 12, one of our amendments will certainly be to exclude Sudbury from this bill.

I thank the government again and I thank the committee for going across northern Ontario, in the limited fashion that they did, and hearing from the people there. There are still many concerns, and certainly through clause-by-clause we will be debating some of those concerns.

The Chair: Thank you. We'll have comments from the member of the NDP.

Mr Gilles Bisson (Cochrane South): I want to echo one of the comments my colleague from Sudbury made, that we had public hearings on this bill, and that's something we don't have enough of on a lot of legislation that has come our way in the past couple of years. With this particular bill you did go out, you did consult and you did give an opportunity to northerners in places like Timmins, Sudbury, Sault Ste Marie and Thunder Bay to make their comments.

It's not a question of myself as a member or Mr Bartolucci as a member being thankful. I think it's those people whom the legislation in the end is going to affect who say thank you, because that's what the legislative process is all about. We give you kudos on that one. At least you went out and consulted on this bill and that is appreciated by a lot of people in northern Ontario.

We take our politics quite seriously in the north. We live and breathe it in a very different way because we understand, in northern Ontario, that government can and should play a positive role in our economy and in our lives and people understand that government has a much closer relationship with individuals than you probably would see in other parts of the province.

I also want to say that I am generally supportive of this legislation as long as we do what we thought we were going to do, which is to make this enabling legislation. The way the government has written the legislation makes it appear that it's enabling, which I think it is to a great extent, with fairness to the government. But there are particular sections in this bill that tell me that if you opt to go the way of an ASB, the minister gets a whole bunch of powers. I've talked to the parliamentary assistant about this in the past. That would, in the end, give the minister probably more power than I would be comfortable with if I were a municipal representative.

We're going to get a chance to get into some of those in some detail later. I'm looking for some really clear explanation as to what the intent of the minister is and what power the minister, the ministry and cabinet would take, given the powers that we're providing in this

legislation. I just want to let you know where I'm coming from.

I have no difficulty with putting this legislation on the books when it comes to enabling. If communities in our area or anywhere in northwestern Ontario decide that they want to form an ASB, that's their business. I have no problem with that. But it's something that has to be municipally driven. I don't believe in a top-down process of making those kinds of reforms. I think there has to be a buy-in at the local level. We're going to go specifically through the legislation in a number of places to show that we have some concerns about the powers that the minister is getting.

1020

For example, in one of the sections of the bill it would appear that we're saying that if the municipalities decide to form an ASB, they have the right to put together their plan, decide what the geography is etc and bring the plan to the minister. Once the minister gets the plan, the minister can say, "By the way, I've got some extra services I want to give you," and the new municipalities under the ASB won't have any power to say no as I read the legislation. You'll have to clarify or satisfy my curiosity on that as well as the comments I've gotten from people in our area who talked to me about this legislation.

The second point I would make to the legislation is one you've heard from me before and you're going to hear it from me again. Vous ne pouvez pas transférer les services du gouvernement provincial qui étaient couverts sous la Loi 8 et décider de donner ça aux municipalités sans vous assurer que les francophones sont protégés sous la Loi 8. Le gouvernement a, en 1986, passé une loi ici à l'Assemblée législative qui était supportée par Mike Harris et son caucus dans le temps, qui était supportée par l'NPD et le gouvernement libéral de la journée, qui dit, si on demeure dans une région désignée sous la Loi 8, on a le droit d'avoir accès à nos services en français.

Je commence à être pas mal inquiet et pas mal frustré par ce gouvernement qui, à chaque fois qu'il transfère un service aux municipalités, oublie de s'assurer qu'il va y avoir des provisions pour s'assurer que le francophones sont protégés quand ça vient à leurs droits linguistiques. Il faut que je rentre dans ces débats-là en vous disant que je suis très inquiet, que je suis très frustré comme francophone et que je veux savoir que mon gouvernement provincial va travailler pour protéger nos droits, les droits de la communauté francophone de la province. C'est pour cette raison que vous allez voir aujourd'hui qu'on a mis un amendement qui dit que les droits francophones, les droits linguistiques qui sont présentement donnés sous les services provinciaux, une fois transférés aux municipalités à travers l'ASB, vont être respectés.

I say to the government members who did not have the opportunity for translation that I don't know if it's because they didn't provide the translation units or whatever, but I want to make sure you've understood what I said. For the record, I want to indicate that for whatever reason — I don't know why — there is no translation equipment available here in committee this morning.

I'm getting increasingly concerned, as both a legislator and a francophone living in this province, that every time services are transferred to the municipal level of government, we're seeing the transfers happen without guarantees of French language rights. You need to know that there was all-party agreement back in 1986 to pass unanimously through this House legislation called Bill 8. Mike Harris at the time was there and he bought into that legislation. He agreed with the government of the day of David Peterson and with our party that francophones needed to have some protection under the law when it came to French-language services and a compromise was reached. I'm not totally satisfied with the compromise, I would have liked more, but at least it was a step in the right direction that said, "Under Bill 8, the French Language Services Act, if you live in a region that is designated under the legislation, when you're interacting with your provincial government, you will have the right to ask for services in French." If I go to the hospital, if I deal with any provincial agency or any government program that's run by the province, I have some degree of knowledge that I can get those services in French, and it's been quite successful. If I look at Sudbury, North Bay, Timmins, Ottawa, and London in places people now, as we say in French, commencent à s'afficher comme francophones. In other words, they're starting to say: "I can actually do my business in French. This is a lot better because it's our first language." What we see now is that the government, when it transfers services over to the municipalities, is either forgetting to protect those rights under Bill 8 or it's intentionally not doing it. I want to hope it's the first and not the second. I'm getting pretty concerned and frustrated about how the government is transferring these services over without proper protection of French-language services.

You've heard from me before on this one and you're going to hear from me again; I'm hoping that the government will ensure that the amendment we put forward today will be adopted. I want to be clear about something: It's not going to cost anything more than what we're paying now. If it's a municipal service that was not protected under the French Language Services Act, this amendment would not see Bill 8 apply to what was a municipal service. All we are asking for is, if the minister says we're transferring welfare, or we're transferring ambulance services, or we're transferring whatever service that used to be a provincial responsibility, that the French Language Services Act go with it. It's not an added cost. We're doing it now, it works well and people in our communities are using it because it's their first language. That's the language they want to work in. I look for your support on that particular piece of legislation. Those are my comments.

The Chair: Thank you, Mr Bisson. I recognize for the government side the parliamentary assistant.

Mr Joseph Spina (Brampton North): I will at the outset thank all the committee members for their effort. You know that I was fully intending to be at the committee hearings, but unfortunately the death of my father

precluded my joining you. That's the reason I wasn't there. I want to thank Ernie Hardeman for filling in as the point man on the hearings. I appreciate that, Ernie, and all of the members of the committee, because I would very much have enjoyed being on the committee with you to do the hearings.

I'm certainly happy to be part of this process now and part of clause-by-clause. I want to address the key underlying reason why I think this legislation was brought forward. The member for Sudbury East said that this was a necessity as a result of "massive downloading" I think was the expression she used. We know that this government has attempted to realign provincial and municipal responsibilities. We announced that in 1997. The objective was to create the opportunity to build more effective local service delivery systems to eliminate and reduce the duplication of services between the provincial government and the municipal level of government.

When we embarked on the Who Does What exercise, that was the objective all along. In fact, the Who Does What exercise, inasmuch as Metro Toronto and the GTA squawked — I know that my colleague from the Ministry of Municipal Affairs and Housing would back me on this — was really designed for northern and rural municipalities of this province to allow them the opportunity to get services for the reason the member for Cochrane South indicated. They just don't have the population base or the assessment base to be able to get some services or even to get higher-quality services. That's the reason the Who Does What exercise was embarked upon.

We clearly recognize that the northern and rural municipalities, but most particularly the northern municipalities, do not have the resources, as the member for Sudbury indicated, for things like capital costs, for roads and infrastructure. The idea behind what this government is doing is specifically to assist those communities. There's no higher profile member in northern Ontario than the Premier himself, and that is the objective we want. The member for Cochrane South would like to think he has a higher profile, but he chooses to mention the Premier's name in probably every second sentence. That just raises the profile of the Premier, with due respect, member.

The accusation that has been levelled at this government is, "You pass a piece of legislation and then you have to come back and fix it two months later." Ladies and gentlemen, when you pass a piece of legislation, it always has good intentions, but nothing is perfect in this world. This government is realistic enough to understand that nothing is perfect, and we have the guts to go back and finish the job and admit that some things need correction, refinement and finishing rather than leave a piece of legislation in place as past governments have: "It's not perfect, but we're not going to admit to the fact that it isn't perfect." We have the guts to go back and say: "The other pieces of legislation weren't perfect. We're prepared to address the issues and finish the job."

The member from Sudbury talks about the transportation system crumbling. That's hot air, with due respect to

the member, and I'd have said that if he were here. The reality is —

Mr Bisson: I didn't catch what you just said; I'm sorry.

The Chair: Mr Bisson, through the Chair, please.

Mr Bisson: Through the Chair: If you could just repeat what you said before. I didn't catch it.

Mr Spina: The member for Sudbury indicated that the transportation system was crumbling.

Mr Bisson: OK. Thank you.

1030

Mr Spina: The last part of what I said, and I'll repeat it, is that it's hot air. This government has invested more money into the northern Ontario transportation infrastructure than any government in the history of this province. I think everybody can see that by simply driving Highway 17, Highway 11, Highway 634 and all the other highways across northern Ontario.

Mr Len Wood (Cochrane North): You should keep driving.

Mr Spina: We just haven't gotten to Cochrane North yet, Lenny. We're getting there, though.

The consolidation of municipal services in the north has to take into account the challenges of geography, population distribution and municipal governments. The critical thing here, folks, is that this was requested by the people of northern Ontario specifically. The people from Kenora region, people from Rainy River, people from Timiskaming, some from Algoma-Manitoulin, specifically were groups of people, both in organized and unorganized territories, that asked us to provide the enabling legislation, and I stress that word. I thank the member for Cochrane South for being supportive of the fact that this is enabling legislation. That is what clearly we are intending it to be: enabling legislation.

We are not going to force an area services board down anybody's throat. What we are looking to do is, when a proposal comes forward to the minister to create an area services board, that this area services board is seen to be providing services in a fair and equitable manner to all the people within that board's jurisdiction. Then, and only then, will the minister be in a position to agree to it. Also he or she, whoever the minister of the day may be, can only agree to it provided that this bill, the enabling legislation and the ensuing proposals surrounding it comply with all the pieces of legislation in the other ministries in Ontario.

On that note, there are some arguments the members have brought forward that are more specific to their amendments, and I think we'll address those more specifically when those amendments come forward for debate.

The Chair: Each member has in their possession the 24 amendments that have been tabled. The amendments are two from the Liberal party, 10 from the NDP and 12 from the government caucus. I verify that that's the case. When reviewing Bill 12, you would all recognize, I gather, that we could expedite this process and get to the main sections. I would be interested in entertaining a

motion with respect to grouping sections 1 through 9 as one section. They're administrative and I would ask if that is agreeable to all members.

Mr Bisson: I'm sorry, I was still trying to sort out the amendments in their proper order and I don't quite follow what you just asked us to do.

The Chair: We have the amendments ordered. The clerk has ordered them, Mr Bisson. We can await your —

Mr Bisson: I was straightening out the amendments I have and you said something and I didn't quite follow what you wanted us to vote on.

The Chair: At this point in time, there have been 24 amendments tabled with the clerk. All of those amendments are in everyone's possession. In fact, they deal pretty much exclusively with sections 10 and after.

Mr Bisson: There are no amendments prior to section 10?

The Chair: No.

Mr Bisson: You're asking that we —

The Chair: Group 1 through 9.

Mr Bisson: Yes, that's fine.

The Chair: I'm at your pleasure. I'm looking for a motion with respect to grouping. Does everyone agree? Agreed.

I'll call the motion on sections 1 through 9. Are there any questions or debate with respect to sections 1 through 9?

Mr Bisson: No, they're basically definitions.

The Chair: I'll call the question. All those in support of sections 1 through 9? Carried.

We're now dealing with section 10 of the bill, which deals with section 35 of the act. There is an amendment to section 35, moved by Mr Sergio.

Mr Mario Sergio (Yorkview): I move that section 35 of the Local Services Boards Act, as set out in section 10 of the bill, be amended by adding after "Sudbury" in the fourth line "with the exception of the regional municipality of Sudbury."

At the bottom of page 3 you see the clause, and I think it's self-explanatory. We would like to see the line added to that clause.

The Chair: We have a motion to amend section 35.

Mr Bartolucci: Just very limited comment on this?

The Chair: We would try to limit expeditiously. You have an amendment. I suspect you want to speak to it.

Mr Bartolucci: I thank my fellow member for introducing it, and I apologize to the committee for having to go up and speak in private members' hour. But it was about the Holocaust, and it was very important that we speak in support of Mr Chudleigh's resolution.

Ladies and gentlemen of the committee, the parliamentary assistant and I have had many discussions with regard to this. I am very concerned that people will have a perception here — and perception is reality — that another level of government is being created. That is the concern within the regional municipality of Sudbury. It is a concern with the seven area municipalities which form the regional municipality of Sudbury. Mr Hardeman and I

have debated this. There is that concern and I think it is understood by all the committee.

Bill 12 is crucial for some areas of the north, and that's why, at the end of the day, I think we're going to be supporting this act. The reality is, it poses a problem of interpretation in Sudbury. I suggest to you that there is the opportunity for confusion, for confrontation and for a lack of the process that I think we on this committee all want to happen with respect to Bill 12. I suggest it honestly is removed if we support this amendment. I ask the committee in a non-partisan way, but in the way of facilitating good and effective government, to remove the regional municipality of Sudbury from Bill 12.

Mr Ernie Hardeman (Oxford): I want to point out that I have some concerns with excluding for no reason at all other than that someone might misunderstand what the act says. I think the fact that the bill is a permissive piece of legislation and the region of Sudbury, which would be excluded by this motion, will not be part of an area services board without their consent — it is not obliging them to do anything. But I think that in approving such an amendment — circumstances may change; there may very well be a time and place when the region of Sudbury does want to be part of an area services board for delivery of some of the core services that go beyond the region of Sudbury. If we exclude them, that would no longer be possible. It would take away some of their opportunities to find those efficiencies and to find ways of delivering services in a more effective manner.

There have been some discussions, that I'm sure the member is more aware of than I am, about the change of governance in the region of Sudbury. If that were to be concluded, it may very well be in the best interests of the region of Sudbury to have the ability to be part of an area services board. I suggest that it would not be a service to the people of Sudbury to exclude them from this piece of legislation. I think we would be very supportive of their having the same opportunities that others in the north have to create a more cost-effective way of delivering regional services.

1040

Mr Bartolucci: Just a point of clarification, if I might: I agree with everything Mr Hardeman said, and that's why we're including Sudbury. What we are excluding is the regional municipality of Sudbury. If we continue to include Sudbury, as I have — because one has to protect themselves for the future in the event that the governance issue changes. If the governance issue changes, and the regional municipality of Sudbury, the one region we have in northern Ontario, becomes non-existent or changes format, we will still be covered because the district of Sudbury is still in the legislation.

What we are doing in reality is protecting every lower-tier municipality in this act by keeping the district of Sudbury in. What we are doing is ensuring that there is not another level of government created that already provides the services that have been agreed upon by two ministries, the Ministry of Community and Social Services and the Ministry of Northern Development and Mines,

and the regional municipality of Sudbury. There is consensus now that the DSAB can do the job. I suggest that we are not excluding Sudbury. Mr Hardeman makes a good point. You have to look to the future.

I suggest that we're removing the one aspect that can create another level of government for services that now are being completely provided through a different forum and a different ministry but that works and does not create the confusion, the excess, the duplication and the other level of government, which we want. So Mr Hardeman is right. We're not excluding Sudbury. We wouldn't do that. What we are excluding is the one region, the regional municipality of Sudbury.

Mr Hardeman: Maybe it's my misconception, but it seems to me that if we look at the core services that are becoming the obligation of an area services board, if it is to be implemented at the discretion of the local people, those services are presently regional services in the region of Sudbury. To say they would be excluded from this legislation, that as the deliverer of those services today, they could not be involved in finding a more effective and efficient way of delivering those services, I think would be inappropriate. If, at some point in time, they did not have an upper tier, I think it then becomes a moot point whether that upper tier had authority.

At the present time, the region of Sudbury delivers the majority of the core services that area services boards would. If there were a need for, and an opportunity to deliver, those services in an area services board beyond the region of Sudbury, to some areas outside, that that was going to be the geographic area of a proposal to find a more effective operation, I think it would be inappropriate to say that the legislation doesn't allow the region of Sudbury to talk about and find more effective ways of delivering the services they are presently delivering.

I agree with you that the perception may be there, but I think the citizens of Sudbury region would be better served to be informed about the non-existence of that threat rather than to take it out and not provide the opportunity for the region to be able to look for effective ways of delivering those services.

Mr Spina: The member says that perception is reality. That's typical Liberal sleight of hand. They'd like to make perception reality. We have to deal with reality. The reality is that I met with the late Chair, Peter Wong, at some length last January on this issue, and that was a specific concern of his as well as a couple of other members of regional council. I assured him that if, as an example, an ASB were created for Sudbury district there is no reason an area services board could not work hand in hand, on a complementary basis, with the region. For the delivery of particular services, the region can deliver those services under the direction, co-operation and with the regional municipality. I assure the member that the minister would never approve of an area services board that would create a duplication of services. A minister should never do that, because the intent of this exercise, the intent of all we are trying to do with provincial and municipal governments is to make them more efficient to

be able to serve the residents better. This is the reason we think that an area services board can work in a complementary relationship with a regional government, and we know that's the only one in the north. I would be pleased to sit down with the newly elected Chair, Mr Mazzuca, to openly discuss this and iron out the situation with him and other members of regional council, along with yourself, sir.

Mr Bartolucci: Chair, just one comment.

The Chair: The Chair recognizes the member from Sudbury, and we'll give you the last word on this.

Mr Bartolucci: Well, Mr Spina may want to reply.

I really do take exception to the comment of the parliamentary assistant with regard to perception being Liberal reality. I thought I qualified my comment by simply saying "in a non-partisan way." Whenever I deal here, I deal with what's in the best interests of the people I represent and the area, the regional municipality of Sudbury. So I must suggest to the parliamentary assistant, who is second in command in the Ministry of Northern Development and Mines, that he would do well to tune up on what the people in the regional municipality of Sudbury are saying with regard to area services boards.

I suggest to you that if perception is Liberal reality, you might want to know that the perception in the regional municipality of Sudbury is one of distrust about this act and this government's issuing of this act. If in fact, Mr parliamentary assistant, Mr Spina, for whom I have respect as an individual, if you are saying that this government would never, ever condone a duplication of services, there has never, ever been a dispute from you or your staff that this does not, will not, lead to a form of duplication that no one should tolerate. I don't know that I'll get the last word, Chair, but I do know that I wanted to get that on the record. This is not done in a partisan way. If it is partisan, it's only because I'm worried and caring about the people in the regional municipality of Sudbury, many of whom I don't represent.

The Chair: One very small response.

Mr Spina: If the people of Sudbury don't want an area services board, they don't have to vote for it.

The Chair: Very good, we have the motion by the Liberal Party on section 35. I'll call the question. All those in support? Those opposed? That's defeated.

Mr Bisson: Can we record a vote on that?

The Chair: It's a little late on that one.

Mr Bisson: All right.

The Chair: At this point in time, with the permission of the committee, I am also speaking in the House on a private member's bill and I am going to now relinquish the chair to the Vice-Chair, Mrs Munro.

I am going to be back as expeditiously as possible.

1050

The Vice-Chair (Mrs Munro): OK, we are looking at a Liberal amendment to section 10. Mr Bartolucci.

Mr Bartolucci: All we want to do with this is add the clause, "to ensure that the wishes of the local residents are reflected in determining the structure of the board and services delivered by the board."

If what the parliamentary assistant said in his last comment is true, then this addition should pose no problem at all to the committee. If the government believes that the wishes of the people of the regional municipality of Sudbury and the governance bodies for all the municipalities, both organized and unorganized across northern Ontario should prevail, then the addition of this clause should be no problem at all.

Mr Spina: We're not supportive of the motion. The whole bill is based on responding to the needs and wishes of northern communities, and subclause 37(1)(a)(vi) specifically provides for the ASB proposal having to demonstrate the degree of support of the municipalities and residents of the unorganized territory in a proposed board area as part of the proposal to the minister. To me, that directly reflects the wishes of the residents. Therefore, with due respect, the member's amendment is a duplication of a clause that is already in the bill.

Mr Bartolucci: Then there should be no problem with including it. If it's simply a duplication found in another section, there is no problem with including it. If it's there already, what's the problem? If in fact the parliamentary assistant says it's found in another act, what's the problem with ensuring that there is clarity of purpose, that the residents clearly decide the structure of the board and the services delivered by the board. If it's already written in another section, let's put it in this section. That's all it is; it's not complicated. If it's already in one section, let's put it in the other. That's all I'm asking.

Mr Bisson: Chair, I heard the parliamentary assistant say it was in another section of the bill. Can he point to which one and tell me where it is?

Mr Spina: Page 4, 37(1)(a)(vi), and it begins "the degree of support of the municipalities." Are you with me?

Mr Bisson: Yes, I'm with you.

Mr Spina: That was the section I was referring to.

Mr Bisson: Give me a second to make sure it does what you say it does. We do have to read the legislation, you know. It helps.

Mr Spina: I suggest to the members that if you have to say something two or three times in a bill, it's a bad law. If you say it once and it's clear enough, then there's no reason to go beyond that.

Mr Bisson: Try this, it's a bad law: "I love Tories, I love Tories, I love Tories." Christ, I agree with you.

Mr Spina: Watch your language. You're in Hansard.

Mr Bisson: I know.

The Vice-Chair: Mr Bisson are you finished? OK. Mr Hardeman.

Mr Hardeman: Madam Chair, I don't support the amendment, and I think it has more to do with the ambiguity of the amendment than with whether it is a duplication and overlap of what the bill already says. I think if the local people come forward with a proposal demonstrating to the minister that they require support, which deals with municipal support in areas where we have municipal government — and in the areas where they don't, it requires the support of the local residents. I don't think that a clause of the act that says, "to ensure that the

wishes of local residents are reflected," is a definable clause over and above where you have the local, municipal support. I think we would invariably have people coming forward to say, "Well, that may be the view of the local representatives, but that's not my view." I don't know how anyone would make the judgement of whether it is the view of the local residents. I think that is done through the electoral process at the local level electing a local council to make decisions on behalf of their citizens. To say that in this case we are going to override that accountability and that in these cases they must test that in a general election to get the view of the local people, I think would be an onerous task on anyone in setting up an area services board in the areas where we presently have organized the municipalities. I think it's an ambiguous thing that would be unachievable in the majority of cases.

Mr Bisson: As I read section 37(vi), basically it says that the minister wants to see what degree of support there is. But there is nothing to make sure the citizens are actually canvassed in any real way or that a referendum is taken or any kind of mechanism to ensure that we have the degree of support we talk about. I think the amendment we have before us is trying to say that we want to have something that ensures that the wishes of local residents are reflected, and yes, that means possibly a referendum at a municipal election.

I understand that the Conservative party supports referendum legislation. I have some problems with some of that, but generally I think we in this country have learned that you cannot change the form of government without having some sort of process where you involve the public. For example, we've had all kinds of constitutional debate. One of the biggest complaints about Meech Lake, which I thought we should have accepted, was that there was not a good process of public consultation and that the public didn't have a chance to have their say and give their support in whatever way that could have been done. Charlottetown, quite frankly, was an attempt to fix that. We had a referendum. So there is a history of utilizing referendums or consultation processes to give people some say in which governance structure is going to be changed, added, deleted or whatever.

I think this amendment is saying that if this is enabling legislation — yes, the municipal politicians have to work out the details because they are the people with the expertise; I don't argue that for a second — we need to make sure that the public who live within those areas say, "Yes, we as taxpayers are OK with having an additional level of government." I think we need to be quite clear about that, because in the end this would be another level of government, and I think the public should have the right to express their views, either by way of a good consultation or possibly a referendum.

Mr Bartolucci: I think that where we're putting this is very important. We suggest that it go to section 36 because that's the purpose of this part of the act, it's the purpose of the act. In fact the title says, "An Act to provide choice and flexibility...." Therefore, let's spell it out clearly in the purpose of the act. It's not asking too

much. It clarifies the act. The addition of this clause clarifies the purpose, you're clarifying the purpose. I suggest that its placement in the act is extremely important, and the *raison d'être* for the clause simplifies and clarifies the purpose of the act, which I think should have been spelled out in this section anyway, but isn't.

The Vice-Chair: Further discussion?

Mr Bisson: I don't want to debate this at length, because we're going to get a chance later. But I want to see where the government is when it comes to making sure the public is consulted in some formal way when it comes to creating another level of government. I'm looking for an answer.

Mr Spina: I'd be happy to provide that. The interesting thing is that philosophically this act has been created as enabling legislation, as we said. It must come forward in the form of a proposal from the residents of the area itself. But residents of an unorganized territory also have the opportunity to participate. The important fact is that the municipalities or local services boards — if you go to 37(1), member, if I could interrupt you.

Mr Bisson: We're doing strategy here.

Mr Spina: You asked for an answer and I'm trying to give it to you.

Mr Bisson: I'm with you.

Mr Spina: "One or more municipalities or local services boards or the residents of unorganized territory may make the proposal to establish" a board for the consolidation of services. Then you go down to subclause (vi): "the degree of support of the municipalities and local services boards and the residents of the unorganized territory in the board area required to make a proposal...and the manner of determining that support." There has to be an assessment of that proposal to ensure that there is the outstanding support that meets the desire of the residents.

Further, 37(1)(b) on the next page says, "proof in a form satisfactory to the minister...that the proposal has the prescribed degree of support of the municipalities and local services boards and of the residents...."

It's not just that they are part of it. The reality is that they must also provide proof of support.

1100

The Vice-Chair: Any further discussion?

Mr Spina: He wasn't listening.

Mr Bisson: I did listen. I listened to your argument quite attentively. What you said was, and as I read the legislation, "One or more municipalities or local services boards or the residents of unorganized territory may make a proposal to establish...." It's one of those, right? It's not all of those that have to make a proposal. If the municipality decides to make the proposal, it's up to them. But under subclause (vi) it says that if a municipality decides to do this without the support of the local residents, it would have to demonstrate in its proposal that it has some degree of support. That's the way the legislation would work.

My problem is, who the hell determines what the degree of support is? Do you follow what I'm getting at? If local municipalities in my area say, "We would like to

do this," and then a whole bunch of residents are in disagreement with their councils, there is really no mechanism to get at that. I think that's what Mr Bartolucci is trying to get at.

Mr Spina: With respect to any proposal that comes forward in this regard, the government must entertain any dissenting bodies. I go again to what I said at the end of my comments: 37(1)(b) says "proof in a form satisfactory to the minister" that the proposal has the appropriate support. To me, just saying, "We on council voted 9 to 7," if you have that many councillors, "that we of the organized territory or municipality of whatever have decided that we want an ASB," doesn't demonstrate proof of support if you want an ASB to go way beyond that municipality. That's only common sense.

Mr Bisson: I take it we're putting that in Hansard today, because at one point I'm sure the people, as they try to make this legislation work, are going to want to know what the intent was. What you're saying is that your minister or any minister would not accept a proposal that comes forward if it doesn't have a good degree of support from local residents.

Mr Spina: If there is proof of support.

Mr Bisson: So if the municipality went to the minister with a proposal that said, "We have decided, contrary to the wishes of our local residents, that we want to create an ASB," and it's not demonstrated in the proposal that it has the support of the local residents, the minister wouldn't approve it.

Mr Spina: That's what the legislation states.

Mr Bisson: And that's the intent of the legislation?

Mr Spina: It must be demonstrated and proof shown.

Mr Bisson: Is that the intent of the legislation?

Mr Spina: Of course. That's why it's in there.

Mr Bisson: All right. Thank you.

Mr Bartolucci: You might want to get some clarification of that and put it on the record. You might want to defer later to other interpretations. What you say is creating an impossibility for this act. I'm telling you, Mr Spina, that if that is the intent of this legislation, you are legislating something impossible. I give you that as a point of caution. You may want to straighten out the record. To clarify the record I suggest that this amendment, the addition of this clause, now becomes even more important in light of what Mr Spina just finished saying. In light of what he just finished saying, I don't know how the government would want to vote against this amendment, especially where it's located, in the purpose of the act.

Mr Bisson: This has nothing to do with common sense.

Mr Spina: In my opinion, it is easy to respond to you, sir. When you put a clause in that says, "to ensure that the wishes of local residents are reflected," it's vague. How are the wishes determined? With respect to the act, we are looking for a demonstrated degree of support, and proof of support to back that up. To me, those are far stronger than a vague statement that says, "ensuring that the wishes...are reflected." That's the reason I feel that these

clauses are far stronger, far clearer and already inclusive of the amendment you have brought forward.

Mr Len Wood: As a follow-up to the parliamentary assistant, you're saying that support has to be shown from the organized and unorganized areas. How are you going to determine the support that's out there? Are you talking about a referendum that was taken by the city of Toronto to determine whether they wanted to amalgamate, or a decision that was attempted to be forced on Geraldton and is still going through the courts? How do you establish the support that's out there from the organized and unorganized areas? Is it through a vote or a referendum or some kind of survey, or are you just going to look at the proposals that are there and say, "We have the support of 60% or 70% —"

Mr Bisson: Of the Tory riding association.

Mr Len Wood: Yes. We have to get answers to that somehow.

Mr Spina: I'll make a comment. I'll defer to my colleague.

First of all, it's got nothing to do with Toronto. The easy answer is, it's in the proposal. The proposal has to show the degree of support and proof of that support.

Mr Hardeman: Unless I misunderstand the situation, I think we have to clarify that when we're talking about support, we have two bodies that one looks at. In areas where we do not have municipal government, and as it is in the municipal restructuring process that's part of the Municipal Act, you have to find a way to identify the local support in areas where there is no local government in order to express that support.

In the unorganized areas that would be included in the proposal, there would be a requirement to have identified individual support from the people who are involved. In municipal restructuring proposals, I think it's identified as holding a public meeting with a certain percentage of the people present and their position is taken as the view of those who do not have a municipal government to represent them.

In areas where area services boards would be looked at, where they have local government, I think the local people have put their faith in the decision-making abilities of people on council to make the decision. If a proposal came forward identifying local support for having an area services board which incorporated an unorganized area and three municipalities, I think it would be reasonable to assume that the minister would expect the support of the councils in those municipalities and that would, in his opinion, reflect the views of the people who elected those councils to make the decision on their behalf. In the bill, he would also require proof to identify where the support from the local people in the unorganized area came from, because at that point they have no one to speak on their behalf as a group.

If we look at the regulation that deals with restructuring, again it speaks in the same terms of local support and the degree of support required. In the areas where we have two-tier government at the local level, it speaks of a triple majority, where it requires the support of the

council, the majority of the municipalities representing the majority of the population. It does not identify that you must go out and get the vote of the majority of the population but of the representatives of the majority of the population. If it's an unorganized territory, that regulation requires the support of a public meeting held for that purpose in the unorganized areas.

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Again, I think it is to identify who is making decisions on the public's behalf. In the organized areas in the north, and in southern Ontario, the municipal councillors were elected to make decisions on behalf of the residents in delivering municipal services. We have to recognize that if the area services boards are set up at the discretion of the local people, they are set up to deliver the municipal services that the elected councils are presently responsible for. So I say that they do represent the interests of those residents.

We have to identify a way of hearing the voice of those in the unorganized areas on who will be creating a delivery model for them. That's why I speak against the resolution of the Liberal Party. It identifies that in each proposal we are going to be looking for some way to identify the individual in the municipality, as opposed to allowing their elected representatives to speak on their behalf, which they have elected them to do.

Mr Bartolucci: We have two completely conflicting stories: one from the parliamentary assistant and one from the honourable member. They are conflicting, and so I'm going to ask for answers to the following two questions. If we use the parliamentary assistant's scenario, the nine to seven resolution for an area services board is passed at council. In the parliamentary assistant's record in Hansard, he said there would be no area services board with a simple council majority of nine for and seven against. That's what the parliamentary assistant said; that's not what Mr Hardeman said. What is the answer? Is there an area services board if a majority of council agrees that there should be an area services board?

I have a second question dealing specifically with the regional municipality of Sudbury. Go ahead.

Mr Spina: You cannot have a vote on one organized council that is going to create an area services board for an entire district over which it has no jurisdiction. You require the other partners. That was my point. That's all my point was.

Mr Hardeman: I just want to correct the record. I was not disagreeing with the parliamentary assistant, and Hansard can be checked. He made it quite clear that the nine to seven vote was that they could not extend an area services board beyond their municipal jurisdiction. My comments were together with his, they were the same. It would be the vote of each individual municipality. But if it goes beyond that municipality, it requires the support of the other municipalities involved; it requires the support of the unorganized population. But you can't have an area services board where the people do not want it if they do not support it.

Mr Bartolucci: The second question for clarification is with regard to a region — but there's only one region in Sudbury so we'll talk about the regional municipality of Sudbury — and to single, double and triple majority.

There is a resolution at the council of the regional municipality of Sudbury agreeing to an area services board. However, area councils or lower-tier councils — for example, Walden, Nickel Centre, Valley East and Capreol — vote against an area services board. We have four of the seven municipalities voting against an area services board. There are seven municipalities in the regional municipality of Sudbury. The councils of four of the seven municipalities say "no" to an area services board. However, around the regional council table, where the city of Sudbury has the majority of votes, the vote is in favour of an area services board. What does the government do then?

Mr Bisson: Good question.

Mr Spina: I think this debate is more relevantly conducted when we get to other amendments regarding how the ASB is created and the double majority and all that sort of thing. With respect to the amendment that the member has on the table right now, I think we should just call the question.

Mr Bartolucci: But it has everything to do with my question. It is not fair to call the question, to be perfectly honest, because there is no answer to the question. It's relevant, it's important and it's essential.

Mr Spina: It's a hypothetical situation.

Mr Bartolucci: But it's not hypothetical at all.

Mr Bisson: On a point of order, Chair: I hope we're not going to get into a situation where the parliamentary assistant is going to try to invoke closure at this committee. You have called for the question, which is a pretty serious thing to be doing in committee. We are in here trying to work our way through. I take it you're not going to be — you're withdrawing that? Very good.

The Vice-Chair: I would just point out that he did not suggest closure on this. Any further comments?

Mr Len Wood: I'm a little concerned about the comments we are getting from the parliamentary assistant and Mr Hardeman. Mr Hardeman travelled through the area, and I attended most of the meetings in the north. When he makes the comment that we'll have public meetings, where do you hold the public meetings? You're talking about a huge territory. People are going to have to travel to get to these public meetings. Do you hold them in the large, urban areas or do you hold public meetings out in the small, unorganized areas? Where do you hold the public meetings? Do you force everybody to travel for an hour to get to a public meeting? You're saying, "Hold a public meeting and tell the public what you're going to do and then do it." I don't think that's the answer to getting a consensus among the people out there.

I get a little concerned about the way the hearings were held in the north. When people wanted to have a chance to be questioned on the issues, they were shut down. I'm glad to see that the parliamentary assistant withdrew his request to ram this down the throats of everybody in the

north when I'm sure there has to be a lot more debate and discussion out there.

The concern I heard as I travelled throughout the north was that this is another form of county or regional government, like they have in rural southern Ontario. If that's the intent of this legislation, the people of the north do not want to see the north split into 10 county governments and the large, urban areas controlling everything. There is a concern out there. What is the future going to mean with this legislation coming through? There's got to be a better way of establishing support than has been suggested here so far.

Mr Hardeman: First of all, we have a bit of a dilemma here. We have the NDP suggesting that this would somehow create a second level of government, as Mr Wood mentioned —

Mr Len Wood: The people say that —

Mr Hardeman: Yes, the perception is that this creates in the north the county government of southern Ontario.

Mr Len Wood: You heard that?

Mr Hardeman: Yes. But I think we have a dilemma here, because the question that was asked by the member for Sudbury is: How do we prevent the region, which incidentally is the second-tier government that we have in southern Ontario, from arbitrarily creating an area services board? If the reality is that this is a way of creating a second-tier government to deliver upper-tier services, why would the region of Sudbury ever consider creating an area services board to do what they have in the region now?

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If we look at the services that are going to be core services of an area services board, I believe they are all the services the region is presently delivering, unless there is an anomaly in the Sudbury region. If they decided to create an area services board, what would they be creating, other than the region? If they were the only ones involved, they would then call themselves an area services board so they could deliver the same services they're already doing. There's no logic in their wanting to do it. If they want, and I very much expect that they may, to look at broadening the delivery of those services beyond the region to find efficiencies and effectiveness in delivery of those services, again that would be, in my opinion, the decision of the region that was presently delivering those services. If we look at child care, assistance under Ontario Works, public health, social housing, land ambulance services and homes for the aged, I believe all those services are now being provided on a regional basis in Sudbury as they are everywhere else.

I don't see any opportunity or need for the region, unless it was to expand the area of those services, to even consider an area services board to take the level of government and split it in two and make it three. I don't think the people of the Sudbury region would make that type of decision.

Secondly, I think the act is quite explicit that the minister must approve these. I don't know how you would justify taking a two-tier government and making it a three-

tier government and somehow imply that's going to create efficiencies and effective government. I don't see that possibility existing in the act, even though it's totally permissive.

Mr Bartolucci: Without being confrontational, because I don't want to be, we could have avoided all this if you had voted for the first amendment. You chose not to. The reality, though, is that one of the area municipalities within the region may want to strike the area services board proposal on its own. It will garner a couple of other municipalities' support, and you still haven't answered the question of the four to three split. Is there or is there not a double majority in this legislation? Does the purpose of this legislation ensure that the wishes of local residents are reflected in determining the structure and the services delivered by the board? I suggest to you, with due respect to everyone around this table, that that hasn't been answered and that if you include it in the purpose of the legislation, it allows you to clarify purpose as we go on and as Bill 12 expands.

That is all I'm suggesting we do. This isn't hocus-pocus and it isn't a trick clause. It's very straightforward. If anything, the debate we've had this morning should indicate the need for this clause being added to the purpose part of the bill.

The Vice-Chair: Any further discussion? If not, shall the motion carry? All those in favour? All those opposed? The motion is lost.

We'll move to the next one, which is a government motion, section 10, subclause 37(1)(a)(v).

Mr Spina: "I move that subclause 37(1)(a)(v) of the Local Services Boards Act, as set out in section 10 of the bill, be struck out and the following substituted:

"(v) the additional services under subsection 41(2) that the proposed board would provide."

Mr Bisson: Can you explain that?

Mr Spina: Basically it recognizes a drafting error and clarifies that this section deals with "proposed" boards. That's the key word we are adding here, because it made an assumption that a board was already created.

The Vice-Chair: Any questions?

Mr Bisson: I just want to put on the record that I'm actually going to vote for this amendment. I hope the government will vote with some of ours as well in the spirit of cooperativeness.

The Vice-Chair: Is it the wish of the committee that this motion pass?

Mr Bisson: Recorded vote.

Ayes

Bartolucci, Bisson, Danford, Froese, Hardeman, Spina.

The Vice-Chair: We're looking at the next motion, which is an NDP motion.

Mr Bisson: I move that clause 37(1)(b) of the Local Services Boards Act, as set out in section 10 of the bill, be struck out and the following substituted:

"(b) proof in a form satisfactory to the minister that the proposal has the support of,

"(i) a majority of the municipalities in the proposed board area having a majority of the population, and

"(ii) a majority of the meetings held by each existing local services board to consider the proposal attended by residents in the unorganized territory to be included in the proposed board area."

If you want, I will explain why.

The Vice-Chair: Would you?

Mr Bisson: We have somewhat gone through this debate earlier with the previous motion from the Liberal Party. As I said before, and want the parliamentary assistant to understand, we're supportive of the government's trying to put in what is supposedly enabling legislation, but there are some parts of the bill that make me a little nervous. However enabling it is, municipalities could gang up on unorganized communities. The way the bill is drafted, that could happen and there's not a heck of a lot that unorganized communities can do to have an effect on the process, and there are other things later on which I won't get into.

What this basically tries to do is say that at the very least there have to be meetings in the unorganized areas — those people have to be consulted; they have to be able to see what the hell the plan is — and also give some sort of prescription to the degree of support when it comes to the unorganized communities.

The Vice-Chair: OK.

Mr Bisson: I'm about to find out something.

The Vice-Chair: Yes, you are about to find out something.

Mr Bisson: Madam Chair, I ask for a one-minute recess.

The committee recessed from 1127 to 1128.

The Vice-Chair: I call the committee back to order.

Mr Len Wood: I move that clause 37(1)(b) of the Local Services Boards Act, as set out in section 10 of the bill, be struck out and the following substituted:

"(b) proof in a form satisfactory to the minister that the proposal has the support of,

"(i) a majority of the municipalities in the proposed board area having a majority of the population, and

"(ii) a majority of the meetings held by each existing local services board to consider the proposal attended by residents in the unorganized territory to be included in the proposed board area."

The Vice-Chair: Would you like to speak to that?

Mr Len Wood: Yes. We had some discussion earlier that there has to be a way of finding a consensus among the residents in the areas if there is support for changes that are being made. As I mentioned earlier, one of the concerns with Bill 12 in its entirety being introduced is that it will lead to a duplication of services, that there will be more arm-twisting as far as amalgamations are concerned, which has been attempted out there now in the Hearst area, Kapuskasing area, and one of them in the Longlac-Geraldton area is being challenged by the Conservative government in court right now.

There has to be a guaranteed way of making sure that the consultation does take place in the unorganized territories and that there is support by the majority of the people in the municipalities, and in the unorganized areas, for changes that might be taking place. We have to understand that a lot of the changes in this bill and a number of other bills are only being brought forward because of the unwillingness of the present government to pay for the services in these areas out of general revenue and that the dumping and unloading of services which the provincial government normally has paid for over the years is now going to be collected in property taxes. It's going to drive property taxes right through the roof in a lot of areas. People are going to find out that they are going to lose their houses; they won't be able to pay the taxes on them. It's a matter of finding a way of shedding the responsibility that the provincial government should have through general tax revenue, putting it on to property taxes and forcing the unorganized areas and the municipalities to pay for services that they don't want to pay for.

We can look at land ambulances, we can look at OPP policing, we can look at a number of changes in areas that general revenue should pay for, especially in northern Ontario, where the population is spread out over large areas. They need assistance from general revenue taxation, and now they're going to be expected to pay the full cost of these services. In some cases, they're going to lose the services if they can't afford to pay for them.

Mr Bartolucci: There's just a point of clarification that I'd ask for from the third party, because I'd like to be able to support this. It goes on with what we had originally in my second amendment or proposal. "A majority of the municipalities in the proposed board area," okay, that's fine, because if we use Sault Ste Marie for an example, there's Sault Ste Marie, Thessalon, Batchawana, Searchmont. So, three of the four agree to an area services board. But then here's the problem, "having a majority of the population." Sault Ste Marie has the majority of the population, so if Thessalon, Echo Bay and Searchmont, the unorganized areas, did not want the area service board, the majority of the population, which is centred in Sault Ste Marie, would get its way. I don't know if that's the intent of the legislation, and I would ask for clarification.

Mr Bisson: Just to clarify the way the amendment is. There are two parts to the amendment. The first part is that two things have to happen before the plan will be accepted by the minister. You have to demonstrate that a majority of the municipalities have the majority of the population. So, for example, in our area that would mean they would have to have at least Timmins and a few other communities on side, on the Highway 11 corridor, to be able to go forward, because there's a whole argument about where the majority of taxpayers are and that they should have a weighted say when it comes to what happens. We put that in because we don't want just one municipality in the end having the say; it has to have the two things. The second part is about having some mech-

anism for the unorganized communities, and I'll speak to that a little bit later in more detail. Do you follow?

Mr Bartolucci: Gilles, in reality then, if we used the example I used, Sault Ste Marie could establish an area services board without the support of Thessalon, Searchmont and Batchawana Bay, because they have the majority of the population.

Mr Bisson: Well, that's not the intent of the amendment.

Mr Bartolucci: No, I know it's not.

Mr Bisson: It might need clarification. This is an amendment that was brought forward as a request of some of the municipalities actually in that area and in our area as well. The intent of the amendment is to do two things: to say the minister can't approve unless there is a majority of communities that agree, and you have to have a majority of the population agree as well, plus you have to have an agreement by the unorganized areas that this is to go forward.

Mr Bartolucci: That was the intent?

Mr Bisson: If it doesn't do that in the drafting, maybe we have to propose an amendment to this.

Mr Spina: In response to the amendment — we had discussions about this, Gilles, I know. To put these clauses in right now is a bit of a shortcut. But as clauses themselves they're not adequate. They'd require about three pages of regulations to cover all the rules for determining the local support. We are trying to be flexible enough here to allow the double majority concept to be worked out in the proposal when it comes forward to the ministry. We want it to parallel the restructuring of municipalities, because you're restructuring services, and it's not intended to be a restructuring of municipalities, as you know. That's the reason we would not support the amendment. Some of the surrounding comments or elements would be in regulation, but to put it as a clause like this would require a very prescribing environment from the point of view of the government.

Mr Len Wood: You're talking about the regulations. Are the regulations prepared and ready so that we can take a look at the regulations and see if that's going to address the concern out there?

Mr Spina: As I said to you earlier, what we are looking to do is to accomplish the environment of the bill. Regulations aren't created until a bill is actually finished and all the clauses are in place, either as introduced or amended. That's why the ministries will hold off on creating the regulations until that point. The basic underlying point is that we want to permit the flexibility within the proposals for them to be able to come to us with how they want to have the representative structure, as opposed to us being overly prescriptive and dictatorial in terms of how they're going to arrive at it.

Mr Len Wood: In fairness as well to the parliamentary assistant, this is not legislation that was just dropped here yesterday. This is revised legislation that has been brought forward from last year with some minor changes to Bill 12.

I don't see any reason why a draft of the regulations couldn't be available for people to see what your intention is if you're saying that a lot of it is going to be dealt with in the regulations; there's no reason why. I've dealt with legislation before as a parliamentary assistant and we talked about regulations at the same time we were bringing the bill through for second and third reading.

Mr Hardeman: In the process, I think it's very important that the bill does deal with the ability of the minister to prescribe the required support and how that will be achieved.

I have some concern with this resolution if Mr Bartolucci can interpret that first section to mean that one municipality, because it has the majority of the population, could force this area services board upon all the rest. If that's his interpretation of this amendment, I would assure you that it's an inappropriate amendment to put in the bill. I read it with maybe a slightly different view, because I read it as being the interpretation of the double majority, that it not only has to be the majority of the population but it has to be the majority of the municipalities. But if that's the interpretation, I would suggest that it's an inappropriate amendment.

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The other part I have some concern with is that if you legislate the meeting and you legislate how they're to be counted, it becomes very difficult to then, through regulation, describe or prescribe what and how it must be done. It's very important that it's not good enough for the legislation to say they must hold a meeting and then there is nothing else that they have to come forward with. It makes far better sense to have the minister have the ability to prescribe the number of meetings that must be held, the type of meetings that must be held and what would be taken as the majority support of the people or the municipalities that want area services boards. I think the legislation presently will deliver protection for the people better than this amendment would, because it would take away the areas for the minister to prescribe that type of support.

Mr Len Wood: Let's see the regulations.

Mr Bisson: Three things. I don't want to repeat what Mr Len Wood said, but I think we need to see the regulations, which is part of the problem. You need to know. When we were talking about dealing with this particular amendment, we realized, as the parliamentary assistant said, there's no simple way of putting this in the legislation. But understand why this came forward. It came forward because we want to see the regulations and how the process is going to be prescribed under the legislation.

I also agree with the parliamentary assistant on the point that if subclause (i) is indeed being interpreted that you have to have both — like, the biggest community can decide everything, that's not the intent. I would propose we amend that by striking out the word "having" and inserting the word "and," and I'll do that in a second, to make sure that we're clear we're talking about a double majority.

But also understand what this is all about. Ideologically we have a problem with you going after the unorganized communities. I realize the government's intent through this legislation is to say: "You know, all you people who live in the unorganized communities, you've been getting it free for too long. You're using the municipal government's services in Timmins or Iroquois Falls or Sault Ste Marie or whatever, and we want you to pay taxes as everybody else for those services." I understand what you're trying to do. That's one of the difficulties we have with this legislation. We've had this debate in the House, and I'm not going to prolong it.

People choose to live in those areas for a very simple reason. I know that well because my father made that choice when we were younger. He didn't want to live within the community of Timmins, because he wanted a different lifestyle for his family as he was raising us but also didn't want to pay the level of municipal taxation that was at the time being imposed on municipal properties in our community. So he decided to move outside of the municipal boundaries and to be in an unorganized community for a very simple reason: He didn't want to pay those municipal taxes and said, "I will pay the additional transportation costs that it costs me, I will pay for my own garbage pickup, I will pay for my own water, I will pay for my own septic system." All services that would be provided under the tax base in a city he decided to do away with and do himself. That's why people choose to go out.

For the government to say, "We're now going to start taxing unorganized communities at the same rate or close to the same rate as municipalities," is a bit unfair, because they don't have the services. The only thing they would have access to is their kid possibly playing hockey, who travels into town, or going to use the swimming pool every now and then. But those are not great burdens on the municipality. If you look at the participation of those people in the unorganized communities in the soft-type services and recreation, it's small as a percentage as to who uses them overall.

The only other service they might end up using is ambulance services, and we have a provincial system that deals with that, and/or welfare, which is 80% paid by the province. Ideologically, I have a problem with trying to tax the unorganized communities. That's also what this is trying to get to.

Mr Spina: Just to respond to that, Gilles, it's not our intent to set the tax rate for the ASBs, as you know.

Mr Bisson: I know that.

Mr Spina: Also, I think it is within the flexible authority of an ASB to be able to modify the tax rates according to the services the residents receive on a zone basis or however they structure it. The important thing is that we allow them the flexibility to be able to create the structure they want to have rather than us telling them. If we're not satisfied with the structure in terms of fairness or an excessive imposition, as you described, to an unorganized householder, then clearly it doesn't meet the objectives of the bill, which are to have more efficiency in

government and be able to better deliver services, hopefully at a lower cost.

Mr Bisson: But would you agree that one of the intents of this bill is to basically bring within the organized communities the unorganized areas? That's part of what you're trying to do here.

Mr Spina: Sorry. Trying to bring them in?

Mr Bisson: Part of what this bill is trying to do is to say that for those people who are living outside municipal boundaries, in what we term the unorganized communities, this legislation, if the municipalities choose, would encompass those people in their boundaries, which means they would pay higher taxes for services they don't receive. That's my problem.

Mr Spina: But that's the point of the bill, to ensure that there's flexibility there so that they can participate in an ASB. Let's face it, they have brought the request forward to us. Part of the problem that a lot of the unorganized complain about is that they'd like, and are willing to pay for, certain services, but they do not want to be amalgamated outright into an organized community. We understand and respect that mindset, that thought and that attitude. That's part of the reason we've structured the bill as we have.

Mr Bisson: Let me try it this way, just to make sure that we're clear. We understand this is enabling legislation, and the only way that an unorganized community would be part of an ASB is if the majority of municipalities in that area choose to go the way of an ASB and if the minister agrees to the plan.

Mr Spina: Depending on how they structure their double majority.

Mr Bisson: But the point is, and this is the thin edge of the wedge, that the unorganized communities have very little by way of protection if they don't want to be organized. Do you agree?

Mr Spina: No, I think there's flexibility there.

Mr Bisson: How? Because the way the legislation is written — we'll take our area in the Cochrane district. There are some unorganized communities in the Cochrane district. What would happen with this legislation is, if the majority of communities and the majority of the population, other than the unorganized, decide they want an ASB, then it happens. Right?

Mr Spina: If you had the town of Cochrane, and the town of Cochrane voted as being — they would be the largest urban pocket in that area. Is that a fair way to describe it?

Mr Bisson: No, it would actually be Timmins.

Mr Spina: OK. If Timmins and Cochrane decided to come together, you're suggesting that the unorganized around them would be sucked in? No.

Mr Bisson: That's not what I'm saying. I'm asking, what would probably happen if an ASB was created in our area? The ASB would probably be either all of the Highway 11 corridor, probably from Matheson, Iroquois Falls, Cochrane, somewhere around there, all the way up to Hearst. All right?

Mr Spina: You're talking about all of the organized communities that would be making that decision.

Mr Bisson: Yes. Let's say those communities decided to do an ASB. I'll give this one as a suppose, OK? The Highway 11 corridor communities from Matheson all the way up to Hearst decide they want to form an ASB in order to share how they're going to deliver those provincial services that are now being transferred on to the municipalities. Within the Highway 11 corridor area, there are unorganized communities such as Jogues and Ste Thérèse. My point is this: The way the legislation is written, if the majority of municipalities on Highway 11 decide they want to go the way of an ASB, there's nothing the people in Jogues or Ste Thérèse, who are within the unorganized, can do to stop it. Right?

Mr Spina: Except for the minister.

Mr Bisson: The minister may decide, but not very likely. If there's a plan that comes before the minister and it's supported by the majority of the organized communities, he or she would accept it.

Mr Spina: But the minister, I suggest to you, would be very interested in knowing whether or not this is a fair situation. If there is outstanding dissent from an unorganized community, then it really boils down to whether or not the minister thinks this ASB is a fair board to deliver the services. That may be questionable. It's hypothetical here.

Mr Bisson: With all respect, I've heard the government and you on a number of occasions in the House, in committee and in public on radio and TV talk about how this legislation is going to ensure that those people living in unorganized communities pay what you call their fair share towards municipal services. Right?

Mr Spina: Yes.

Mr Bisson: That means it has an intent of bringing the unorganized communities into the ASB so that they pay taxes for services they're using in the neighbouring communities.

Mr Spina: If they choose, if they're getting those services; that's all we're saying.

Mr Bisson: That's right. I look at Jogues or Ste Thérèse as a good example. They would be next to the community of Hearst, which would be the closest one, and that's probably where people would go if they're going to use the arena or any of the municipal services. My point, why we're bringing this motion forward, is to say the minister would not automatically approve an application for an ASB if they didn't at least have a number of meetings with the unorganized communities, where the people were notified, the people in the unorganized communities could come, they could hear the proposal and give their support or non-support. If they don't give their support, then maybe it shouldn't go forward. That's what we're suggesting.

Mr Spina: I think we have to look at the population. The unorganized territories could count as a municipality. They could certainly make their presence felt in an equalized manner, and then if the minister can see it, it may or may not get approved as a board.

Mr Bisson: I'm not going to hold this up very long, because it's pretty clear the government is going to vote against it, but I just want to put on the record quite clearly that we need to understand what the government is doing here. The government is going to make it possible for communities like Hearst and other communities in the neighbouring area to basically charge taxes, through the ASB, to the unorganized communities such as Jogues and Ste Thérèse for services that people may or may not be using in those communities. I don't think that's right. If people have decided to live there, they don't have the degree of municipal support, programs and services that they have in built-up areas. They're there for a reason. There's an added cost to living there already. To add municipal taxes on top for services they don't get doesn't sit well with me or my party.

Mr Spina: Thank you for your comments. We'll take that into account in regulations.

Mr Bisson: One small point: I would like to move an amendment to strike the word "having" and insert the word "and," so that we're clear what we mean.

The Vice-Chair: Mr Wood would have to do that.

Mr Len Wood: I would like to move an amendment on subclause 37(1)(b)(i), strike the word "having" and replace it with the word "and." Do you want me to read it? It would read:

"(i) a majority of the municipalities in the proposed board area and a majority of the population."

The Vice-Chair: Any discussion on the amendment to the amendment?

All those in favour? All those opposed?

The amendment to the amendment is carried.

Mr Wood has moved clause 37(1)(b). Any further discussion?

Mr Bisson: Since this is going to be the last chance, obviously, that we get before the break this morning, I just want to say again, clearly, I'm not in favour of taxing the unorganized communities. I think that's wrong. People who live there already pay enough as it is. To do what the government proposes here, I see it as a tax grab.

Recorded vote.

Ayes

Bartolucci, Len Wood.

Nays

Danford, Froese, Hardeman, Spina.

The Vice-Chair: I think we'll call for a recess at this point. This committee stands recessed until 3:30 or after question period.

The committee recessed from 1155 to 1534.

The Chair: I call the meeting to order. We'll reconvene the meeting on Bill 12.

Interjections.

The Chair: I'd ask members to come to attention, please. It's important that we stick to the debate here. We

have before us an NDP motion. Do I have a mover of the motion on subsection 37(1)?

Mr Bisson: One moment. I am trying to get my papers in order. Before we get into a debate about it, I first of all want to ask the clerk of the committee if this motion is in order, seeing that we defeated the previous motion, because it seems to me those two things were related.

The Chair: I'll refer this to the clerk.

Interjection.

The Chair: To the member, if you would like to withdraw the motion, that's the advice of —

Mr Bisson: Is it in order?

Interjection.

Mr Bisson: It is. Can you just give me one second? I just opened up my papers.

Interjection: Which one are we at?

Mr Bisson: We're at my motion number 2, which is subsection 37(1.1) and (1.2) Actually, I will deal with it just quickly. It's somewhat related to the first one but not entirely, and maybe the parliamentary assistant can help us.

I move that section 37 of the Local Services Boards Act, as set out in section 10 of the bill, be amended by adding the following subsections:

"Notice requirements respecting meeting

"(1.1) Notice of a meeting referred to in clause (1)(b) shall be given by publication in newspapers having general circulation in the relevant area and by mail to the last known address of each resident.

"Timing

"(1.2) A notice given by mail shall be sent at least 14 days before the day on which the meeting is to be held."

I just want to hear the parliamentary assistant's comments on that amendment and see if he would view that as a friendly amendment.

Mr Spina: Basically we make the same comment as we did in the previous motion, in that the concern is that we would be micromanaging how the proposal would be shaped. If they choose to use that as a way of determining suitable proof of support to apply for an ASB, that's up to them, rather than our prescribing it. That's the reason we wouldn't support the amendment.

Mr Bisson: If I can ask the parliamentary assistant or his assistant the following question: What is going to be prescribed in the regulations — because we don't have the regulations with us — when it comes to what the minister would consider to be a proper process of buy-in on the part of local residents in an unorganized community?

Mr Spina: Sorry. Your question is, what would be the proper process of —

Mr Bisson: What is the process that you envision under this act? If you read the legislation, what your legislation now says is that the proposal has the prescribed degree of support of the municipalities and local services boards and the residents of the unorganized territory. What I am wondering is, what is the prescribed degree of support? I take it that's in regulation, and I want to know what that's going to be.

Mr Spina: Not as yet, but our intention is that it would have the same rules and regulations as in the Municipal Act in trying to determine the degree of support. If you had municipalities that wanted to come to an agreement on issues, then I think that would be a reasonable approach.

Mr Bisson: This is the reason they pay you the big bucks, Joe, and give you the Cadillac. I want to know what that is. Can you explain or the parliamentary assistant for municipal affairs —

Mr Spina: The parliamentary assistant for municipal affairs would be better able to explain that.

Mr Bisson: — or the staffers who are here, what the process would call for?

Mr Spina: Yes, basically for municipal restructuring.

Mr Bisson: I want to get it clear on the record today what's going to happen. What would be the prescribed degree of support as set out either under the Municipal Act or regulations under that act, or what your plan is under this act, so that people are clear when we go through this in our area?

Mr Hardeman: I think it's important as it relates to this amendment that the prescribed degree of support may very well differ in different areas in different circumstances. If you were talking about a small unorganized area that held one public meeting and only three residents came because there was improper notification or there was not sufficient notification for the population to know the meeting was taking place, I think the minister would not accept that as an acceptable test of the support for the proposal. The minister could, and does, in the regulation prescribe how they must hold the public meeting and the type of support that they must register at that public meeting in order to bring that proposal forward.

1540

That's not to say that it would necessarily be exactly the same number. I haven't got it before me, so I can't say, but I don't believe the regulation says that it must have 267 votes in support of an application for that to be the support from the municipality. The regulation does not say that you must have 60% of all those involved at the meeting in order to make the meeting valid. I think it's based on a reasonable test that what is being brought forward is in fact a representative sample of the community that's being referred to.

Mr Bisson: Let me try it this way —

The Chair: Mr Bisson, if we could have that through the Chair.

Mr Bisson: Thank you very much, Chair.

Let me try it the other way. I take it you're going to have to have some process under this legislation that gives people who live in an unorganized community the ability to see what the plan is and have their say. What do you envision, both by way of regulation and the legislation? What would happen? If you can set that out, maybe that'll answer my question and all of this is a moot point.

Mr Hardeman: In simple terms — and I don't mean this to be a simple answer because of the questioner but on the ability of the answerer and the simpleness of it — I would envision that the people involved in starting the

process of creating an area services board would collectively agree to how they would go about getting a representative sample of support for the area services board that they were proposing. I think in order to get the support or the lack of support from the people in the unorganized territory they would have to take a proposal of that kind to a representative sampling or numbers of the population in the unorganized area.

If they were talking about a very large geographic area I don't think the minister would consider in the regulation that you could have half of northern Ontario as part of the area services board and hold one public meeting in one corner of it and assume that what that group said was representative of all the people. The minister would, by regulation, set what was a reasonable consultation process to hear the views of the people of the area to see whether they are supportive of that.

The Chair: Mr Spina, do you have anything to add?

Mr Spina: All I was going to say is, if you want the ministry counsel to tell you what the rules are, we can ask him to do that.

Mr Bisson: That's what I was asking.

Just to make it clear so they understand where I'm coming from, what I need to know are a couple of things. If I understand the legislation, section 37 deals with how — when I read that, it says "that the proposal has the prescribed degree of support of the municipalities" etc. What I need to know is, specifically, what do you mean by "prescribed degree of support"? How do you define that? I also want to understand what the process will be to notify people in unorganized communities that there is an area services board possibly coming their way. Two questions.

The Chair: Are you referring those two questions to legal counsel, Mr Bisson?

Mr Bisson: Yes, if that is fine with the parliamentary assistant.

The Chair: Would you care to respond on the interpretation of 37?

Mr John Ritchie: My name is John Ritchie. I'm a lawyer with the Ministry of Northern Development and Mines.

The rules in the regulation under the Municipal Act pertain to municipal restructuring. The situation is somewhat parallel here so, as Mr Spina says, we were intending to basically pick up the same rules. The regulation under the Municipal Act is fairly extensive. It's a fairly long regulation and there's a lot of detail so I'm summarizing in a great way.

Mr Bisson: That's fine.

Mr Ritchie: First of all, with regard to municipalities that use the double majority test, meaning that the majority of municipalities must be supporting the proposal and that that majority of municipalities must also contain a majority of residents within the proposed board area, for that purpose, the regulation under the Municipal Act defines the people in the unorganized area as being the equivalent of one municipality. So they would essentially be getting the vote of one municipality for the purposes of determining support.

In the unorganized, there are fairly extensive procedures for holding a public meeting to determine whether there is resident support. That involves 14 days' notice, somewhat similar to what — there's a very short version proposed in your motion to amend, but there is much more detail in this regulation that I'm referring to. Essentially, though, it involves 14 days' notice to the public in newspapers having wide circulation. It is flexible. It does permit other means of notifying the residents.

The notice must tell them what it's all about, what's contained in the proposal, where the meetings will be held, the time and so forth. Then they vote and, as I say, the vote of the unorganized is essentially equivalent to one municipality for determining whether the majority of municipalities support it, and of course the population of the unorganized speaks for itself. There has to be a majority of the population within the supporting municipalities. Have I confused you entirely?

Mr Bisson: No, that's actually quite clear and quite helpful. I want to thank you. As I understand it, basically we give 14 days' notice that there will be a meeting in the unorganized communities.

Mr Ritchie: That is correct.

Mr Bisson: We put that in the papers, which is fine. Then we have that meeting, and what's divulged or what's talked about at that meeting is not the final plan, because you may not have the final plan of what your ASB would look like, but what the concept is.

Mr Ritchie: Well —

Mr Bisson: I'm wrong? Clarify, if I am. I want to know at what point this happens. Does it happen after all the decisions have been made by the other communities or does it happen at the same time? That's what I'm getting at here.

Mr Ritchie: It's part of the decision-making process. They're voting on a draft proposal and they're either indicating support or non-support. If there is support, presumably the proposal goes in to the Minister of Northern Development and Mines.

Mr Bisson: Here's my concern —

The Chair: Excuse me, if we may direct, for the recording people, through the Chair. Mr Bisson, you're responding to Mr Ritchie.

Mr Bisson: Thank you very much, Chair. Through the Chair to the legal counsel: I think we're going in the right direction here. I just want to be clear on one point. I heard you say that what the unorganized community would be presented with at that meeting, once they've got their 14 days' notice, would be the proposal. I guess my problem is that I'm trying to figure out, how does that make them part of the process? They're sort of consulted after.

Mr Ritchie: Oh, no, not at all. They are definitely involved in the process of putting the proposal together. There would be municipal representatives and there would be representatives from the unorganized working as well with provincial staff to put together a draft proposal. Then the proposal would be considered by the inhabitants of the unorganized and the councillors in the municipalities.

Mr Bisson: The person who chooses the representative from the unorganized community at this stage is going to be the province, right?

Mr Ritchie: No, the community would choose their own representatives.

Mr Bisson: That's right too, OK. So you're assuring me then that in the end the unorganized communities will have notice of what's happening before a decision is made. They will have one rep as part of the overall committee that will look at this and then their plan would be brought back to the unorganized community residents, who would get 14 days of notice by way of a paper etc. Then they would have a vote like any other community.

Mr Ritchie: That is essentially correct. There doesn't have to be one representative. There might be any number of representatives involved in putting the proposal together.

Mr Bisson: So it would be inconceivable that a community like Ste Thérèse or Jogues or others which will be affected in our part of the province would not be represented if we were going towards an ASB. Let me put the question more directly. If an unorganized community is not consulted, they don't have a representative on the ASB committee that's looking at this, and there is no public meeting hosted etc, then this thing can't go ahead. Am I correct in understanding that?

Mr Ritchie: That's correct.

The Chair: If that solves most of your concerns with respect to notice —

1550

Mr Bisson: I have one other question, Chair. This is helpful; it's putting on the record. I want the Chair and members of the committee to understand that I'm not trying to be combative in raising these questions. We're going to have to deal with this as of January and, like it or like it not, I'm the guy everybody will come to and want to deal with to find out what their rights are. People are already asking us questions, as the parliamentary assistant knows quite well. There are a lot of people on both sides of this issue. Some people love it and want to see this legislation go through, other people are quite concerned. I want to make sure that I don't have improper information. I don't want to give improper information to my constituents, so I want to make sure we're clear about how the legislation works and how the regulations work.

One last question on this section. What would happen in the Timmins area, in the Cochrane district — on the double-majority issue, now; not so much the unorganized issue but the municipalities themselves. Timmins represents a little better than 50% of the Cochrane district; over 50% of the population of the Cochrane district is from Timmins. We agree on that. What would happen if the city of Timmins were to say — and we'll just make up a hypothetical number; eight communities outside the city of Timmins, for a total of nine; a couple of unorganized brings it up to about 11. The city of Timmins says, "We're the majority." Part of the double-majority process is done, but they don't have the majority of the other communities

on Highway 11. It would stop, it wouldn't go anywhere. They couldn't do this on their own.

Mr Spina: Yes, that's right. They need the consent of the people outside their own territory. You can't expect Timmins to start calling the shot for the entire area, particularly with the numbers you describe.

Mr Bisson: Just so you understand why I want this on the record, there are some people within the city of Timmins who would want to control this process entirely.

Mr Spina: We know that.

Mr Bisson: I think you are aware of that and I want to make sure that the smaller communities outside Timmins are not feeling that they're going to somehow get railroaded into a process. This is not the view of the entire city council, but there are some people there.

Just for the record: If we go by way of an ASB, the city of Timmins has to have half of the population of the municipalities within the Cochrane district, which would be the new ASB, along with at least half of the municipalities on Highway 11 before anything can go forward. That would include when you're making — OK, that answers my question.

Mr Spina: Yes, it's a simple double majority rule.

Mr Bisson: Thank you very much, Chair. That answers my questions and at this point I would be prepared —

The Chair: Excuse me, the Chair recognizes Mr Brown. Have you a comment with respect to this amendment?

Mr Michael A. Brown (Algoma-Manitoulin): I just want some clarification. We talked about residents of the unorganized townships being notified, is that correct? Is it the ratepayers or the residents? There's a difference.

Mr Spina: I'll have to bow to legal counsel on that one.

Mr Bisson: That's a good question.

The Chair: Mr Ritchie, with respect to those who would be notified: residents or ratepayers?

Mr Ritchie: We were proposing "residents," to be consistent with the Municipal Act.

Mr Michael Brown: So a ratepayer might very well not be notified of a public meeting if, for example, a ratepayer lives in a different part of the province.

Mr Spina: Or world.

Mr Michael Brown: Or world, yes. They would receive no notification whatever because they did not have the foresight to subscribe to the local newspaper.

Mr Spina: If they own property and there's a tenant, then I presume the tenant would probably get the notification. It's whatever is standard within the Municipal Act.

The Chair: Mr Brown, did you seek clarification on the specific notification process with legal counsel?

Mr Michael Brown: Yes, I was just trying to —

The Chair: Could you refer to the Municipal Act and the requirement of notice? Would this apply?

Mr Ritchie: As I understand, it's "resident." Therefore, under the scenario you just laid out, the person would not learn of the meeting. If they're not taking the news-

papers and they're residing in Florida or wherever, they may well not learn of the meeting.

The Chair: Does that answer your question?

Mr Michael Brown: That's the first one. The second one is just for clarification. It involves the double majority.

Maybe I misunderstood, but you talked about it being possible for two municipalities and the unorganized territories — does that mean each unorganized area? It's possible that this may include three, four or five unorganized areas. Are they lumped as one, with one vote, and the municipalities each have a separate vote, when you're looking for double majorities? Is that how it works?

The Chair: Mr Ritchie, do you care to clarify?

Mr Ritchie: Yes. As you realize, sir, we haven't written the regulation yet, so we're really talking about what's in the Municipal Act for municipal restructuring situations. The way it's written in the regulation under the Municipal Act, each municipality essentially has one vote. Then all the unorganized within the proposed area services board's area count as one municipality essentially, so they get one vote. It's not divided up.

For example, if the area services board is going to be the territorial district of Kenora, then all the people in the unorganized are lumped together, considered to be one municipality and have one vote, the equivalent of the town of Kenora. But there's also the population test under this double majority rule.

The Chair: Mr Brown, does that answer your question?

Mr Michael Brown: Yes.

Mr Bisson: I would ask the parliamentary assistant if there is a simple way to give ratepayers an opportunity to get notice. You know what's going to happen. I have that problem in my riding already. When Matheson decided they were going to annex parts of unorganized communities in their area under previous legislation by the Ministry of Municipal Affairs, some people contacted me after the fact and said, "I never got noticed etc."

Is there a simple way you can think of, either yourself or members of this committee or legal counsel, to give notice to people who are ratepayers, who don't live in the riding and wouldn't see the notices in the papers?

Mr Spina: I will take under advisement to ensure that perhaps there's some reference to that in the regulations, as long as it complies with the Municipal Act.

Mr Bisson: May I then ask the parliamentary assistant what's in the Municipal Act?

Mr Spina: The lawyer just explained it.

Mr Bisson: It seems to be —

The Chair: Mr Hardeman, do you have something to add to this motion? We're going to call the vote after your comment.

Mr Hardeman: In clarification, my opposition to the motion is not based on the fact that I don't think anyone should not get notice for something that may happen to affect where they live. But I think it's very important to recognize in these types of situations that if you put in the

legislation that every person must receive a letter, if at the end of the process it's put in place and someone comes forward and says, "They should have known I lived on West Street in Miami and I didn't get a letter," this puts in question what all the people of the area have decided to do.

I think it's very important that the regulation set out how the proponents of a proposal put forward their plan and how they must do their consultation to make sure they have the required support. As Mr Spina told us this morning, the act says they must prove that consultation process. They must prove to the satisfaction of the regulation and the minister that they have done proper consultation and that the appropriate people were notified and everyone was involved in the process in an appropriate way.

I think the regulatory authority is what's important, to make sure it's done properly without hamstringing the situation for the local residents so they would be unable to accomplish what they want done.

Mr Bisson: Chair, I don't mean to be combative with you, but you mentioned earlier that you were going to take one more comment and then go to the question. It's up to the committee to decide when we'll go to the question.

I just want to say that I respect what the parliamentary assistant has said. He is going to undertake to look in the regulations if we can deal with this issue. I think he understands what I'm getting at. Ratepayers don't want to find out after the fact that their taxes have gone up, down or whatever the case may be — I think more than likely up — at the end of this legislation. Seeing that there's some willingness on the part of the parliamentary assistant to deal with this in a proactive way, I will withdraw our amendment.

1600

The Chair: We're withdrawing the motion on 37(1.1) and (1.2).

I have another motion on section 38.

Mr Bisson: I move that clause 38(1)(e) of the Local Services Board Act, as set out in section 10 of the bill, be amended by adding at the end "if those services have been requested in the proposal."

The Chair: Do you wish to speak to the motion?

Mr Bisson: I think it's fairly simple. Under section 38 we're dealing with the powers of the minister to make the order. In other words, once we've gone through the approval process and gone through the decision locally of forming an ASB, we make a plan. We decide what services we want to deliver with our ASB, we decide the geographical boundaries and all those questions and we send it off to the minister.

This section says that upon receiving a proposal that meets the requirements of section 37 that we talked about earlier, the minister may, by order, establish the board, establish the boundaries of the board, and it goes on and on. But in clause (e) it says, "designate the additional services under subsection 41(2) that the board shall provide."

If you read 41(2), we're giving the minister the ability to pass on services that may not have been asked for by

the people forming the area services board. Our position is that if this is enabling legislation, let the municipalities decide what they want in their ASB, and don't give the minister the power to download whatever they might want. I ask that the parliamentary assistant see this as a friendly amendment making sure this truly enables the municipality to decide. That's why we want clarification.

Mr Spina: I think it is a reasonable amendment, but perhaps it doesn't go far enough. The reason I say that is that if you refer to the government amendment which puts a restriction — it says: "An order shall not require the provision of any service mentioned in subsection (2) unless a proposal requesting its inclusion in an order has been made."

Mr Bisson: That's which amendment, so I can read it?

Mr Spina: It's the fourth government amendment.

Mr Bisson: Please explain it again.

Mr Spina: It's subsection 41(2.1) of the Local Services Board Act. At the bottom it says, "An order shall not require the provision of any service mentioned in subsection (2) unless a proposal requesting its inclusion in an order has been made." If the request for a proposal has been made in there, it will be included.

Mr Bisson: Can you give me two minutes just to read it, Chair? I want to make sure. It looks like we're going in the right direction.

The Chair: Sure.

Mr Bisson: So this would replace clause (e). We would insert this as a new —

Mr Spina: It would be part of 41(2.1).

The Chair: If you look at the government amendment to section 10 of the bill, subsection 41(2.1), it's covered in that.

Mr Bisson: Again, I want the Chair to know this is not to slow the committee down, but give me a few minutes just to make sure. Maybe the Liberal caucus has a question. I just want to make sure it does what I think it does.

Mr Michael Brown: Just to clarify our position, we favour the government amendment. It appears to do what all of us believe this section needs to do and makes sure the proposal does have to come from the local level before the province moves.

Mr Spina: I want to point out to the member for Cochrane South that it's also very close to his other amendment, number 8.

Mr Bisson: That's what I'm looking at.

The Chair: Any other comments on this while Mr Bisson is looking over his —

Mr Bisson: I do have a question. Just to make sure I understand your amendment, which we'll get to later, in section 41, where we're prescribing in the legislation what services the ASB will get, it says, "Here are the six services you're getting if you want an ASB," and those are the six core services, right?

Mr Spina: Yes.

Mr Bisson: Under this one you're saying, "An order shall not require the provision of any service mentioned in subsection (2)," and those are the additional ones that come later, "unless a proposal requesting its inclusion in

an order has been made.” That would bring us back to 38, would it not? Isn’t that what the second part would do? “Unless a proposal requesting its inclusion in an order has been made,” brings us back to 38 and basically says that the minister can’t add further services in the proposal.

Mr Spina: Unless they’re being included for the options, which is subsection (2).

Mr Bisson: If you answer positively to this, I think I’ll be satisfied. What I’m getting at is this: We know we’re going to form an ASB. We go through the process, we’ve all agreed, we get these six core services — child care, assistance under Ontario Works etc — we bring that to the minister, the minister approves it. As the legislation is written now, with no amendments, the minister can add additional services that are found in 41(2). What you’re proposing by way of this amendment would prevent the minister from adding those other services under subsection (2) to the proposal unless the area services board committee were to ask for them.

Mr Spina: Which is exactly, if you look at your amendment 8, the same as yours, word for word. We think the substance of your third amendment is covered by those. If you want us to accept your amendment 8, we can drop our fourth at the appropriate time. If you want to withdraw this one, we can get into it later.

Mr Bisson: I think we’re going to be all right, but I just want to make sure, because I keep coming back to 38. Actually I got the answer from one of the staffers, who said yes, but I guess I need it from the parliamentary assistant before I start. I know you were trying to be helpful.

The question I had was — and again I put it on the record — we go to the minister asking to form an area services board with the six services under subsection 41(1). If the minister goes with the amendment you propose, which is the same as our amendment, the minister would not be able to download any of the other services found in the second part of section 41.

Mr Spina: Unless requested by the board or the proposed board.

Mr Bisson: OK. I have to have one clarification and I think we’re fine. Why, then, would we still have clause 38(1)(e)? Section 38(1)(e) says, “Upon receiving a proposal that meets the requirements of section 37, the minister may by order...designate the additional services under subsection 41(2) that the board shall provide.” Why do we still need that?

Mr Spina: Because once the board has made the proposal to the minister, this empowers the minister to designate it as so — and counsel might want to clarify this for me.

Mr Bisson: So you’re saying he or she needs this or that. In the event that the municipalities say, “We want economic development in our ASB,” he or she would not have the power to include it in the plan.

Mr Spina: Yes.

Mr Bisson: So it’s not meant to pre-empt the other way around.

Mr Ritchie: Subsection 41(2) is not pre-emptive.

Mr Bisson: Could I have legislative counsel put that on the record clearly? This is a major contention with us in this bill, and I want to make sure we’re clear. If we leave 38(1)(e) the way it is and we accept either our amendment to section 41 or the government’s amendment, it would mean that the only way you can ever get the other services found in 41(2) passed on to you in an ASB would be if the municipality or the ASB were to ask for it.

1610

Mr Ritchie: First of all, I’d better say I’m the ministry counsel. Legislative counsel is at the other end.

Mr Bisson: I am sorry, my mistake. I was probably promoting you, more than likely.

Mr Ritchie: Thank you. I appreciate it. The answer to your question is yes. Both you and, I believe, Mr Spina have said exactly the same thing. Section 38 is a listing of the contents of an order and, as Mr Spina said, it empowers the minister to put these things in an order.

Section 41 is getting down to the nitty-gritty and dealing with the specific services that we’re talking about. The effect of the section 41 amendment is to prevent the minister from adding any of the additional services listed in subsection 41(2) unless there is a local request. The minister is prohibited from putting in a service that isn’t requested.

I guess that’s the intent of the amendment before the committee right now under section 38. Our preference is to do it through section 41.

Mr Bisson: With that, I want to say just two things and we’ll be moving on. I want to say to the government members, it’s a hell of a lot easier working this way than what we’ve normally experienced through committees. At least we’re working in the same direction. I will put it on the record, the government is paying some attention to the concerns that were raised at the committee level when people came forward. I’ll put that on the record. That was a major issue, so there’s a fairly significant move here on that particular section if it does what it wants.

Again, for the record, I will withdraw our amendment on the basis that we understand from what we’ve been told by the parliamentary assistant and the ministry counsel — I was going to say legislative counsel — that in the end the amendment we’re bringing forward later, which is the same as the government’s under section 41, would prevent the minister from downloading services on to the ASB that are found in subsection 41(2).

The Chair: We’ll move on to the next amendment, which is an NDP amendment to subsection 38(2.1).

Mr Bisson: I will just read it and I’ll figure out where I am at in a second. I move that section 38 of the Local Services Board Act, as set out in section 10 of the bill, be amended by adding the following subsection:

“Limitation

“(2.1) Where a service delivery agency is providing a planning service in an unorganized territory in a proposed board area at the time the proposal for the establishment of a board is made, funding shall be provided to the agency by the board after its establishment unless the board and the minister agree otherwise.”

Again I would ask the parliamentary assistant for his views before we go any further because we might actually agree on this one.

Mr Spina: Part of the problem is, first of all, I'm not in favour of the amendment.

Mr Bisson: Oh, come on, Joe.

Mr Spina: We've been pretty good so far, come on. Part of the problem is, if a proposal comes forward, there is no way that we are going to commit the government to funding something in which we don't know what all is involved down the road. In terms of the context of this bill, I'm not sure it serves a useful purpose for the objectives of the bill. When an ASB wants to deal with an issue of this nature, when the proposal is submitted, if they feel that economic development is an issue they want to adopt as one of their services, then the request would be far more relevant in that environment and in that context than us actually putting it into the bill.

Mr Bisson: Can I make a request to the committee? This is meant as a friendly request. This particular motion came to me by way of another one of our caucus members dealing with concerns raised to him from constituents in his area who would be affected by this legislation. I would ask if we skip over this so I have a chance this week to talk to him and bring this particular section back. Maybe your explanation responds to this amendment, but I just want to talk to him first. Can we do that? I guess by unanimous consent we could.

The Chair: Yes, we would require unanimous consent to stand this down. I would put the question on standing this motion down until Mr Bisson can do some research. I'll call the question. All those in support? Anyone disagree? Agreed.

Mr Bisson: Thank you for the cooperation. Much appreciated.

The Chair: We won't be able to vote on section 10 until we've dealt with that. The next motion before us is on section 10, subsection 38(3), an NDP motion.

Mr Bisson: The next amendment is in keeping with what we talked about a little while ago.

I move that subsection 38(3) of the Local Services Board Act, as set out in section 10 of the bill, be struck out and the following substituted:

"Amendment of order

"(3) The minister may amend an order at the board's request."

I would ask the parliamentary assistant to see if he views that as a friendly amendment.

Mr Spina: Give me a moment, please.

Mr Bisson: Just while he's reviewing it, maybe I can explain what we were trying to get at in this one. It's pretty simple. If you read 38(3), once they've received the order, "The minister may amend an order as the minister considers appropriate, at the board's request or in any other circumstances."

We're trying to hone that down a little bit by saying, "The minister may amend an order at the board's request." Just so you're clear, we're not trying to play silly bugger here. This is not about saying there's a fault

with the proposal and the minister doesn't have the ability. We want the minister, if there's a fault with the proposal, to be able to redress that fault, but what we don't want are additional things added in, such as the representation on the board, the geographical boundaries etc.

Mr Spina: You've partly answered the question yourself, because part of the context of having that clause in there is that it gives the minister the ability to correct errors in an expeditious manner and he can also ensure that provincial standards for programs are maintained. That's really the context of why we want that in there, because just to say "at the board's request" would limit the flexibility of the minister to be able to this. That's the reason.

Mr Bisson: To the parliamentary assistant, if I were in your shoes I certainly would want not to put the minister in the position of not being able to amend an order if there was a problem. I don't have an argument with you on that one. Quite frankly, that wouldn't work. But I think you also understand what we're trying to get at here. One of the concerns we heard when we were on committee is that people were really nervous not all but certainly a number of people were nervous about the minister having power to amend the plan once the plan ends up on the table of the minister, way beyond what the plan may have encompassed.

Just to be clear, one of the big, contentious issues will be the geographical boundaries of the new ASBs. We may decide in our area that an ASB may not contain a certain part of the geography; for example, maybe they don't want Timmins in an ASB. It could be. If the local area services board is to be Highway 11, Matheson to Hearst, we don't want to be in a position where the minister says, "Well, it's not quite what we had in mind. We wanted to throw Timmins inside the ASB," and we end up in all of that thing. What we want to be able to do is, if the local municipalities on Highway 11 decide it makes sense to go the way of an ASB, they can determine what the geographical boundaries will be and make it work for them. If later they want to put Timmins in, that would be their business. That's sort of what we're getting at here.

Mr Spina: As I said earlier, the objective of this particular clause was not for the minister to be able to arbitrarily make decisions to change the context of the proposal, but rather to allow him or her the ability to ensure that standards are met with respect to the services. If something such as you describe came forward, I would suggest to you that the process of handling that would be to turn down the proposal, with some reasons behind it, and ask the appropriate parties then to readdress it, as opposed to the minister actually ordering it.

1620

Mr Bisson: The Chair has nodded to me affirmation of my being recognized. Thanks very much, Chair.

Let me ask you this question and let me get directly to the point and it might be easier. If the Cochrane district was to come to the minister and say, "We want to go by way of an ASB, it makes sense to us, but our ASB is only going to be from Matheson to Hearst or Calstock" or even

Moosonee, let's say, excluding Timmins, would such a proposal be acceptable to the minister? You follow exactly where I'm going with this.

Mr Spina: I can't answer that, because you're giving me a geographic boundary and I have no idea what services beyond the mandatory services that they would choose to adopt as part of an ASB proposal. Furthermore, I have no idea at this point of the population breakdown. There's a whole number of other factors, Gilles, that I don't know about. So to ask me if that would be acceptable to the minister, I can't answer that question.

Mr Bisson: I don't know if this is fact or fiction, but what I'm hearing from people within our area who are involved at a municipal level and also, quite frankly, from some ministry people as this legislation was starting to come forward, was that the government was looking at creating, I think it was, 10 or 11 area services boards that would encompass those services that sort of crossed the northern part of our province.

There were geographical boundaries someone thought of that would have included, in our case, Timmins, Matheson to Hearst. You know and I know they're having problems now with the DSB, let alone getting into the ASB legislation, so that's why I'm asking the question. I can see in our area our local municipalities on the Highway 11 corridor saying, "We want to go by way of an ASB," and if they decide to do that, that's fine. But I don't want to be in the position where we end up with the city of Timmins versus the Highway 11 corridor and vice versa, because in that case everybody loses, including the provincial government.

I just want to make sure that we are not in a position that if the Highway 11 corridor says, "We're going to an ASB because that makes sense, but we're doing without Timmins," that is not going to be changed to encompass Timmins against their will.

Mr Spina: Let me put to rest the rumour that you indicated. There was never any intention by this government to say that we were looking for a specific number or types of ASBs. What was clear from the outset was how the DSSABs would be set up. Beyond that, I stick to the objective of the ASB, depending on who comes forward with a proposal, the kind of proposal.

There may be no ASBs created in Ontario for a period of three years, but that's fine. That means that a decision that's been made by the municipalities or it perhaps may have been turned down by the minister, ours or anybody else's, because it didn't meet the objectives of what an ASB should meet. On the other hand, if you ended up with 11 ASBs, that would mean presumably that the proposals were well founded and well structured as they were presented and the minister of the day saw fit to approve those 10 or 11 boards, but the numbers are strictly DSSABs, not ASBs.

Mr Bisson: That is helpful because that alleviates some of the fear. The point I want to make is this: If we're going to spend our time here as legislators putting in place this bill to give municipalities in northern Ontario the opportunity to get together and share some of the costs of

mandated programs in this legislation, I would think that the provincial government wants people to do this. Personally, I don't have a problem with that, provided it is done in an enabling way and not by way of force, because certainly, as we said before, there have been all kinds of amalgamations in the past, way before this government ever came around, because there was enabling legislation that was created to make that happen.

The point I make is simply this: The reason I want to have clarified what happens when the plan comes to the table when it comes to the geographical boundaries is that I fully expect that this legislation will be used by the Cochrane district and it will be the Highway 11 corridor people, because for them it will be a way of fixing the problems they're having with the DSSABs.

Just for other members who may not be aware, in our area we're having now to go through the legislation that was set up by the Ministry of Community and Social Services in order to deal with the services mandated under the former act to create the ASBs. As of yesterday, it broke down in our area. They walked away from the table and the big argument was the geographical boundaries issue. Basically, geographical issues is really what it comes down to and it fell apart. So I fully expect that the ministry, through the legislation, now is going to come and impose whatever it is that they can impose under the legislation created by Minister Ecker. I think this legislation can go back and fix that.

That's my interest here. If in the end this legislation can go back and satisfy the people in the Highway 11 corridor and satisfy the people in the Timmins area to make sure we have a structure that works for both, hey, we've done our job and I think that's a good thing. I say to the parliamentary assistant, this amendment that we make may have to be rewritten in another way, but I just want to make sure we don't end up in a position where the minister says, "No matter, we're putting Timmins in whether you like it or not."

So I go back and I ask question in light of the statement I made: If the Cochrane district was to come forward from the Highway 11 corridor, excluding Timmins, to form an ASB, would the minister accept something in that general nature?

Mr Spina: For the same reasons that I gave earlier, I cannot put words and I cannot make decisions on behalf of the minister. Furthermore, you know that no one can make that commitment until the proposal is presented. We want to ensure that the minister has the flexibility to be able to ensure that provincial standards are in place. That's the reason the clause is there and that's the reason I'm not in favour of your amendment.

Mr Bisson: I agree with half of what you've said and that's where the problem is. I agree totally with your logic: The minister has the power to make sure that this follows provincial policies that are affected by other legislation and other statutes and regulations. I wonder if we can take a minute to take a look at this. Is there some way of being able to rewrite subsection 3 so we're clear about what we're trying to do?

I hear what the parliamentary assistant is saying. He's saying we can't handcuff the minister. We don't want to do that. So if that's what we're both agreeing on, is there some way that we can amend subsection 3 to make sure that the minister can amend a plan that is not in keeping with other provincial statutes or policies of the provincial government? The only two ways that you can amend the plan was if the plan was not in keeping with provincial policies or other statutes or that the request for change would have to come from the municipalities.

The Chair: Any advice from the parliamentary assistant on this request?

Mr Spina: I think the concerns of the member are covered off in the amendment that he and we both propose which are, word for word, identical in subsection 41(2.1) where the minister cannot impose anything.

Mr Bisson: As far as additional services.

Mr Spina: As far as additional services. I suggest to you that there are other elements in that clause that may cover this off.

Mr Bisson: I'm satisfied that we're going to deal with the issue of the additional services. It appears to me that the indication by the parliamentary assistant was either our amendment, the NDP amendment, would be accepted or you would take your own. Either way, we end up in the same place. What I come back to is the issue of the geography. This is going to make or break the ability to create ASBs. You know it. The parliamentary assistant and the parliamentary assistant for municipal affairs as well have travelled through this committee, as well as other Conservative members, and they heard what people said. I think you guys can come out of this in a fairly positive way if people really do get a sense it's local buy-in that drives this legislation. I hear this is where this is going. I'm encouraged, this is good, but this is going to be one of the stumbling points.

What's going to end up happening and what I fear is, if people get a sense that the minister can change the order to change the geographical makeup of the ASB — I can understand if it was unreasonable, like if the ASB was only two communities. But why would you do it that way? You'd just amalgamate the two communities. It wouldn't make sense to go that way. But if people come together and say, "We want to create a Highway 11 corridor ASB," I don't want the minister put in the position of having the power to be able to say, "No, we're going to change the geographical boundaries and include Timmins." That may not be appropriate at the beginning. I'm looking for some support, I'm looking for some confirmation that is not where the government wants to go, or at the very least, something on the record that says, "We don't favour having big, huge ASBs that would include the city of Timmins at the very beginning."

1630

Mr Spina: As I said earlier, geography is only one component of the proposal. By restricting even the amendment and amending your amendment to say "geography," you again are consistently going to be tying the hands of the minister to specifically look at that issue. We have to

leave it open enough, for the sake of all the communities of northern Ontario, that the flexibility will be there to look at geography as one component, population distribution and disparity, if you will, in another way, and also the makeup of that population.

Mr Bisson: I feel as though I'm fighting a real uphill battle here. Let me try it this way; maybe there's another way around it. My question is to counsel for the ministry if that's at all possible, if the parliamentary assistant feels comfortable with the following question. The way this section that we're debating works, this is where we give the minister the ability to amend the plan so that technically the minister could say, "I don't like the structure of your board. It's too weighted to the smaller communities," or "It's too weighted to the bigger communities," and the minister could amend the geography, the minister could amend a whole bunch of issues about the structure of the actual ASB. Am I correct? This is where the minister gets that power?

Mr Ritchie: The way the provision is worded, I guess the minister could use his authority to resolve any problem with an order. There is no restriction as it's currently written. It's not written to refer to geographic questions or any other particular aspect of a board or how it operates. The same of course is true with the original order. There is a certain amount of discretion that exists when the minister makes the original order, and the same amount of discretion would apply on an amendment.

Mr Bisson: Let's try this way: Is the parliamentary assistant, either municipal affairs or northern development, prepared to say that if a plan came forward that was reasonable — and I would consider a plan that says a Highway 11 corridor ASB would be a reasonable one. You can't give a commitment because you're not the minister, but can you give some sort of assurance that there would at least be a chance that that ASB would actually be able to get off the ground without having to include the city of Timmins?

Mr Spina: In one context of your question, if the request was reasonable, and I stress that, then I could see the minister agreeing to it. Whether the request as you describe it geographically is reasonable, the same answer to the same question.

Mr Bisson: The parliamentary assistant for municipal affairs looks as if he's either got an itch or he wants to respond.

The Chair: Any further comments? Mr Bisson, I think we've hit a bit of a stalemate. The responses are pretty much the same from Mr Spina.

Mr Bisson: I was going to bring another factor into it. The parliamentary assistant wanted to comment.

Mr Hardeman: One can resist only so long in making a comment. I think it's very important, as the parliamentary assistant suggested, that we make sure we understand the inability on behalf of someone else to interpret the words "a reasonable request." It may very well be reasonable to the member opposite; it may not be reasonable when you look at it in the context of the title of the bill. The purpose of this bill is, with the unique

circumstances in the north, to allow increased efficiency and accountability for area-wide services. I think it's important that as they prepare their proposals for an ASB they consider the area-wide delivery of services, and we are looking at an efficient way of having those delivered. Without seeing proposals, I don't think anyone in this room, including the members opposite, could make a judgment of whether a proposal might or might not be reasonable under the circumstances.

Mr Bisson: Can I ask another question related to the same amendment? Under section 41, there are six core services that would be part of a new ASB. I guess the question is, because I don't have the legislation with the DSSAB in front of me, are these the same services that are mandated through the DSSABs?

Mr Spina: No. Only three are under DSSAB.

Mr Bisson: Which ones are they again?

Mr Spina: Ontario Works, child care and social housing are the only three under the DSSABs. The other three are the ones that would be picked up in the creation of an ASB.

Mr Bisson: I was going to say that if it's the same six then maybe it's a moot point, but it's not.

Mr Spina: No, it's not.

Mr Bisson: That's my problem here.

Mr Spina: It goes from three to six.

Mr Bisson: So that the members on the government side understand where I'm coming from, public health services, for example, right now are going to be under — wait a second, I've got to think this through. Never say something unless you know where you're going is what I've learned in this business.

Mr Hardeman: I thought it was never say something unless you know what you're talking about.

Mr Bisson: Never say something unless you know where you're going is my motto, and never ask a question unless you know the answer.

Here we go. I've got it straight now. My concern is this: Other than the geographical side, the problem we're into is that we know that under the DSSAB, one way or another, our area is more than likely going to have a solution imposed, because there doesn't seem to be a deal coming unless things change in the next little while. According to what I've just found out, child care, Ontario Works and social housing will be part of the DSSAB scenario. There's no way that our municipalities are ever going to go to an ASB, I would think, if they've been forced into a DSSAB, for a couple of reasons. One of them is that it would mean that they would have to undertake services they probably don't want to undertake, which they would already have the ability to deal with themselves.

For example, with land ambulance services, I expect what will happen in our area is that the city of Timmins will take over their land ambulance services and will manage that as best they can, although that is a problem, but all the other communities will probably do the same, and they may want a vehicle to be able to manage that jointly in some way. The problem they're into is that once

they try to get that vehicle to jointly manage land ambulances, for example, they have to go by way of the ASB legislation, and if they go by way of the ASB legislation, if Timmins has been forced into the DSSAB through the other legislation, you're not going to get them coming back to get any more services.

If you allow municipalities to form their own ASB in, let's say, the Highway 11 corridor, there's going to be a buy-in. They're going to say: "We're able to solve the one problem and at the same time solve the other. We'll create the delivery vehicles that we need to manage these other services that we know are coming our way soon from the provincial government, such as ambulances, and solve our second problem, which is that we want to have our own autonomy, separate from Timmins, when it comes to being able to deliver those services." I think the ASB legislation can fix your problem, but there has to be an assurance that they have some flexibility when it comes to the geographical boundaries of the ASB.

That's why I'm hung up on this, because I, like you, Parliamentary Assistant, don't want to see our communities fighting with each other, and that's what's happening. The smaller communities are scared as heck. They're saying: "Timmins is going to get everything because they're the big regional centre. They'll get all the jobs, they'll get the best of everything and we're going to lose out on services and in clout when it comes to what happens under the DSSAB." You've got them fighting against each other, which I think is counterproductive, and I would think the parliamentary assistant sees it the same way as I do. If we can fix that problem, I think we're all the much better, so that's why I'm trying to see if there's any way that the legislative counsel or counsel for the minister or you yourself can suggest some way of rewording my amendment in a way that would be acceptable.

1640

Mr Spina: I don't know that we can fix your amendment. I do know that if there is a series of situations that we are trying to address in the municipalities, either in or out of an ASB, that's what we are willing to look at and I think the minister would be willing to look at under an ASB environment or not. You try to create legislation for the greater common good so that it has flexibility across all of northern Ontario. If we start to micromanage a detail each and every step of the way, I think each time what it does is restrict the ability of the locals to create their own proposal.

I understand your concern about the squabbling about the DSSAB and how the Ministry of Community and Social Services will come down and impose the structure that they see fit for the area. At that point, I think that for any one municipality or any one unorganized territory to start to cherry-pick one issue over another could be — not necessarily but it could be — counterproductive in terms of the whole process, perhaps even for that municipality.

"We want to experiment with land ambulances for a year and see how it goes." You end up with a whole bunch of problems and different situations all over the province,

as I'm sure you can appreciate. What we are trying to do is create a kind of umbrella under which there is as much flexibility as we can give, but at the same time provide enough structure so that the municipalities and the unorganized territories have some guidelines under which they can work. That's really what we are trying to create here.

Mr Bisson: I wouldn't see it as cherry-picking. I really believe that there is probably a good opportunity here — not a good opportunity. I really believe that there is the prospect here that municipalities will look at this legislation as a way of being able to deal with some of the problems that they're in. They can't cherry-pick because the legislation says, "Here are the six mandated services that you must take if you create an ASB." You can't cherry-pick which of those services it prescribes under the regulations.

I would imagine there will be prescriptions as to what the structures would look like to a certain extent. I just want to make sure we don't end up in a situation where these municipalities do all the work and then in the end the minister says, "No, I want bigger and better ASBs beyond what you're thinking of in scope." If we were to create an ASB between Timmins and, let's say, Matheson and Iroquois Falls, I can understand why the minister may not want to have that happen, but an ASB going from Matheson to Hearst would be one heck of a big ASB and would probably take in around 40,000 or 50,000 people. I can't see that as being unreasonable.

We know, for example, that some of the ASB areas that you're already now proposing up around the Sault Ste Marie area are no bigger than 40,000 people that they would cover. That's what this would do if they were to do an ASB within the Highway 11 corridor from Matheson up to Hearst or Calstock.

I ask the parliamentary assistant again, if our municipalities were to come forward and say, "Listen, we have a real problem with the DSB. We can invoke this decision by way of the legislation that Mrs Ecker has brought forward. We want to be able to sever that from the city of Timmins and arrange our own delivery mechanism," could they use the ASB legislation to say, "We're going to create an ASB from Calstock or Moosonee all the way down to Hearst or to Matheson"? That might in the end fix the problem for you, the government. It'll fix the problem certainly for both the city of Timmins and the Highway 11 corridor. Later on, they may decide to come back and make it bigger, that's up to them, but at least they can go into this knowing that there's a reasonable size, because Matheson to Moosonee you're talking 40,000 or 50,000 people. It seems to me that the size of the ASB would be large enough to make it efficient and it would make some sense from the perspective of the government as well.

The Chair: Mr Bisson, unless there are government member comments here — any comments? Have we reached an impasse on this?

Mr Bisson: I take it I'm fighting a losing battle here. I guess what we're going to have to do is vote on this and the government will carry the day, but I want to put on the

record that I think this is a missed opportunity. I really do. This particular section, if we'd be able to amend that clearly so that we can give some flexibility to the local municipalities to decide what the geographical boundaries are, I think would be a win-win for everybody. I really do.

I'm almost prepared to say that if you were to do that, along with a few other things that we've already decided on, I could give my support to this legislation quite easily. I want to make this work. I want you guys to understand this has nothing to do with trying to play obstruction to your legislation. This has to work for me. I'm the guy who's going to live with this legislation once we've passed it in this Legislature.

I say again to the members, if you're not happy with my amendment, I understand that. The parliamentary assistant did raise some points about how this may be a little bit too restrictive. I'm prepared to look at how we make it work for you and we make it work for the people of my area. I ask again, is there a way, Parliamentary Assistant, for legislative counsel to write this amendment in such a way that gives the minister the power to fix unwieldy proposals that don't make any sense but on the other hand doesn't give the minister the power to say, "We're going to make huge ASBs"? That's going to have everybody fighting each other.

Mrs Julia Munro (Durham-York): I just would like to go back to section 36 in terms of the purposes of this part. It seems to me that the examples you've given would tend to negate the kinds of things that are suggested here. I'm thinking particularly of a process of service delivery in a timely and efficient manner. The comments you made at the very end would suggest to me that anyone coming forward with those kinds of proposals that didn't meet those goals, it would have a self-regulatory effect.

You've raised a number of examples of a speculative nature obviously. "What if...? It seems to me that in those situations they wouldn't meet those particular goals at the outset. That's where the whole process rests, on providing the kind of case that would build the kind of situation you desire.

Mr Bisson: I hear the argument that you make and I respect what you're saying, but I would not see an ASB from Matheson to Hearst as being against any of the purpose clauses. As I was saying to the parliamentary assistant, that's a large geographic chunk to fly. You're talking at least three hours of flying, so it's big enough. Population-wise, it's got 40,000 to 50,000 people in it and about eight municipalities. I haven't counted it all up in my head real quick. It would be in keeping with the purpose clause.

I go back and I say we're going to get in a problem around the larger geographic centres, not only in my area. You're going to have the same thing, I bet you, around some places in northwestern Ontario etc.

Can I ask a question? How did you finally deal with the DSB situation around Sault Ste Marie? I understand that you allowed the DSB to be separated from Sault Ste Marie in some way. Am I incorrect in assuming that? That might solve the problem.

Mr Spina: I stand to be corrected, but I think the Soo is on its own and has retained the rights for social services as they had before. I believe that was the case. Algoma district is separated. I think that's the way it was resolved, but as I said, I stand to be corrected because I haven't been that close to that particular one.

Mr Bisson: When I see that happening up in the Sault Ste Marie area, that makes ultimate sense to me because of the same problems that we're facing in our area. On the one hand we know that the government has already favoured such a structure, because we've done it in the Soo as I understand, allowed the Soo to hold its own structure when it comes to welfare etc, and the Algoma area is going their own way under DSSAB. I don't understand why we wouldn't want to do that in our area, and I certainly hope the government is not going to impose the DSSAB model on a larger geographical area than what is already there. I just think it's a recipe for disaster.

Mr Spina: I can't answer that.

1650

The Chair: We have a full debate, and I'm sure staff and others have heard that.

Mr Bisson: Can I have a confirmation just before we move on?

The Chair: Through the Chair to legal staff?

Mr Bisson: Through the Chair to staff that's here: In the DSSABs that are being set up now, are we correct in understanding that Sault Ste Marie is standing alone, separate from the rest of Algoma district?

Interjection.

Mr Bisson: I am correct in understanding that.

The Chair: Members of staff, if you would like to attend at the table so we can put it on the record. Otherwise, it will not be recorded as a response.

Mr Aime Dimatteo: My name is Aime Dimatteo. I'm a staff member with the Ministry of Northern Development and Mines.

Mr Bisson: And a very good one too. I remember well.

Mr Dimatteo: Thank you, Mr Bisson. In response to the question, sir, the DSSAB that has been set up in the Sault Ste Marie area in fact represents the city of Sault Ste Marie, the township of Prince and 26 other unorganized townships surrounding the city of Sault Ste Marie, better known as and including the Sault planning board area, so it has resulted in an amalgamation of a lot of unorganized area with the city. They have expanded the provision of the city services to include all of that area. The rest of the Algoma municipalities and unorganized communities have also come together to form a DSSAB for the rest of the Algoma district.

Mr Bisson: My follow-up question to Mr Dimatteo is, the population base of the people in the Algoma district under the DSSAB would be, ball park, how many?

Mr Dimatteo: Unfortunately, I don't recall the population number in both areas that were formed in the Algoma district.

Mr Bisson: This might be very helpful. Actually, I'm glad we went this way, because this might solve part of my problem. In the DSSAB that is being created — it's

actually not a DSSAB that Sault Ste Marie is creating, is it? It is actually a DSSAB? The one they are creating, all those unorganized communities, are they geographically very close and linked to the community or spread far and apart?

Mr Dimatteo: The Sault Ste Marie and Area DSSAB communities are all adjacent and surrounding the city of Sault Ste Marie, so do have a fairly close geographic relationship.

Mr Bisson: That being the case, is there any chance in heck — I won't say what I was going to say — that with the DSSAB proposal, or eventually the ASB that we'll end up with if we go that way, a similar model could be reached in our area between the city of Timmins and those people just around it and the Cochrane district?

Mr Dimatteo: I don't think I can answer that question. As Mr Spina has indicated, that would be prejudicing an application in the future.

Mr Tom Froese (St Catharines-Brock): Mr Chair, on a point of order: I can appreciate the member opposite and his concern about getting a lot of the factual information straight, but I'm a little bit concerned that some of the comments that are being made are really beyond this bill. They don't pertain to the bill. I don't know what —

The Chair: The Chair recognizes that there has been extended discussion, but I believe that Mr Bisson has being rather forthright in trying to resolve his understanding of how a specific area could be dealt with and whether this legislation is permissive in respect to addressing —

Mr Froese: I understand that, but all his questions that come up have been answered, and he goes back to it, and it has to do with the permissive legislation. If he can make his comments and his concerns noted, I'm also making my comments and concerns noted that this is being prolonged unnecessarily.

The Chair: You are duly noted.

Mr Bisson, if you might conclude your remarks.

Mr Bisson: I'm just about to conclude, and it will take about a minute and a half. I just want members to understand, I am not trying to prolong this debate by any stretch of the imagination. We're setting up in our area DSSABs, which are sort of the precursors to what eventually will be ASBs, and we need to be clear about how all of this is going to work. In the end, if this were being done in the neck of the woods where you live, you would want to understand how the legislation works and make sure the concerns that have been brought to you by your municipal aldermen and taxpayers were addressed. That's all I'm doing here. I'm not trying to be combative. If I was combative, as you know, I'm perfectly capable of coming into the committee and kicking up a storm, and that's not what I'm doing here.

In the spirit of trying to move on here, I have put my concerns on the record. I'm going to put my faith, although it's a bit shaky, in the hands of the minister and hope when a proposal comes forward by the Cochrane district that says our ASB is Matheson to Hearst or Moosonee included, that he or she will smile on that proposal and it

will solve the problem we're going to have with our DSSAB.

The Chair: Those being the comments, I'll ask the question. All those in support of this particular amendment?

Mr Bisson: A recorded vote.

Mr Hardeman: Mr Chair, on a point of order: Before you put the question, I would appreciate knowing what it is. It has been some time now since the actual resolution was put. I would like to know what resolution we are presently voting on.

The Chair: I would ask each of you to have before you the amendment that we are voting on. It deals with section 10 of the bill, subsection 38(3) of the Local Services Board Act, an amendment to that subsection (3). Is everybody familiar with that?

Mr Hardeman: Thank you very much.

Ayes

Bisson, Sergio.

Nays

Danford, Froese, Hardeman, Munro, Spina.

The Chair: That concludes the discussion on that particular amendment. We have another amendment by the NDP on section 10, subsections 40(7) and (8).

Mr Bisson: We're either going to agree or disagree on this particular one, but here we go.

I move that subsections 40(7) and (8) of the Local Services Board Act, as set out in section 10 of the bill, be struck out.

I will give an explanation if the Chair wishes. It's fairly clear what we're getting at here. You're introducing in this legislation, as you have done previously in other legislation, that meetings of the ASBs could be held by videoconferencing or teleconferencing. That is quite frankly not, in my view, a very good process, and I would want to see it taken out of this legislation.

The Chair: Mr Bisson has moved that (7) and (8), dealing with the conducting of meetings and availability of minutes, be struck out. Any other comments? I'll call the vote.

Mr Bisson: I want to know what the parliamentary assistant's views are on this amendment.

Mr Spina: I'm still trying to understand why you want it struck out, because the intent of that particular clause is to ensure that people, without travelling great distances, would at least have the opportunity to have some input. I fully respect the fact that in some areas you're not going to be able to have teleconference or videoconference services, but it does allow other means of distance communication. It's to ensure that people in distant geographic areas have the opportunity to have input.

Mr Bisson: There are (7) and (8), two different things here, that we're striking out. When it comes to (7), I bring this at the request of people who are sitting on our school

boards up in our area, because they have the ability under previously passed legislation to do exactly that. For example, the school board Northeast number 1 is huge. I won't even go through the geographical boundaries, and they have the ability to do this. There has been a bit of a kerfuffle with some of the trustees around this, because some would rather do it by long-distance teleconferencing, and it's not a practical way of doing things. You can't hear half the time, you don't know if the person is really at the other end of the phone, and some of the members have been pushing to have their board meetings actually happen when they're all around the table. Up to now, knock on wood, they have been successful. I'm just trying to bring this forward as a result of a request or a concern that was raised to me by the school board people. They're finding that provision not very practical. That's (7), and then I have a separate issue with (8). Does that explain why we're doing (7)?

Mr Spina: I can understand that, but the purpose of (7) is not that you must. It says it is acceptable if it's done that way.

1700

Mr Bisson: I hear you. I'm trying to bring to the government the concerns that were brought to me by school board officials.

Mr Spina: Does that mean you'll remove subsection (7) from your amendment?

Mr Bisson: I might, depending on what happens here. As long as we are clear that the government is not intending that the process of teleconferencing or videoconferencing be foisted on the ASB members.

Mr Spina: It's permissive.

Mr Bisson: It's permissive, so the answer is no, it will not be foisted?

Mr Spina: That's right.

Mr Bisson: Thank you.

Mr Spina: "May" be conducted is the key word.

Mr Bisson: So half of the amendment we can live with so far. I can live with (7) as long as it's permissive. Again, I want you to know, when I read this amendment and I put it forward, I well knew we would end up at this point, but I did promise a particular school trustee that I would raise this issue and make sure that you heard that they don't like that process. They really find it doesn't work. The story he gives me, they did it the one time and it was, like, half of the people walked out of the room. What they did at one point, there are three councillors in Timmins and two of them were there and they decided just to walk out of the room to see what would happen, and none was the wiser. So you follow what I'm getting at. It's not a very good way of doing public business.

The second one, the other issue, currently under (8), "If it is not practicable to open a meeting conducted by distance communication under subsection (7)..." We know what you're trying to do there. You're saying, if you can do it, allow other people to link in so they can hear what's going on; if that's not practical because of cost or whatever, they would provide minutes of the meeting to people.

When I read that it says "...that would otherwise be open to the public, the public shall be given access to the minutes of the meeting" — why did we put that in? I withdraw that one too.

Mr Hardeman: I would hope so.

Mr Bisson: It goes to show. Somebody brought that forward and I don't know why we would want that out. Give me a second.

Interjections.

The Chair: Through the Chair. Mr Hardeman, please, we just want to keep it moving. Mr Sergio, you had your hand up earlier.

Mr Sergio: By striking out (7) and (8), I was going to ask the question what we would put in their place. If I read (7) it's very clear. But in (8) it says, "distance communication under subsection (7) that would otherwise be open to the public," so I would assume that (7) does not preclude open meetings, as they are called, attended in person. It has always been my and the Liberal intent to give people the possibility to access meetings in any particular way. I'm not too familiar with the northern north, north of Barrie, I would say, and I'm a bit at a loss about that. But I believe we should give the people in the north every possible way to attend meetings either via teleconferencing or by a meeting in person or submissions in writing.

Therefore I would say (8) answers a little bit of, if you will, the timidity that I had with (7), because (7) does not say "other than regular board meetings" and (8) does say "that would otherwise be open to the public." So I would assume that (7) does not eliminate meetings that are attended inviting — they are open to the public other than by videoconference or other means of distance communication.

Perhaps the parliamentary assistant could clarify. I would hope that the intent of (7) and (8) is an adjunct to regular meetings that are regularly held in the open.

The Chair: Mr Bisson, just from your comments, after the enabling "may" in (8), do you still want to move forward with this amendment?

Mr Bisson: I want to be really helpful in this one and be very clear. If Mr Sergio is done, I will try to clarify —

Mr Sergio: Yes.

Mr Bisson: You are? OK. The second part of it, the striking of (8) was something that came from one of our other members. I take it this must be an error because I can't see us wanting to get rid of that particular section. I want to put on the record that we in the New Democratic Party are not going to advocate that position. Second, once we realize an error has been made, we want to fix it and apologize for bringing that forward.

In order to speed this up, I move that we're going to withdraw our amendment, as the government is telling us under (7) that the meetings will be permissive when it comes to teleconferencing and videoconferencing. So we'll withdraw that amendment.

The Vice-Chair: Thank you. Withdrawn.

Mr Bisson: Can we still speak to that general section, 40? We still can, right? There was one other little matter I

wanted to raise. I'm just going to put in my notes here, that amendment is withdrawn, then I want to go back to 40(6) because I want to clarify something that I didn't catch earlier. It reads:

"(6) All meetings of the board shall be open to the public unless the board is of the opinion that the subject matter being considered is a financial, personal, security or other matter which would not be disclosed in the interests of any person affected or in the public interest."

I want to make sure that's consistent with the Municipal Act.

Mr Sergio: Madam Chair, didn't (6) carry already? Did you vote on that?

Mr Bisson: No. We're still on that section generally.

To the parliamentary assistant, if you read 40(6), I just want to make sure that language is consistent with how municipal councils operate.

Mr Spina: And you're withdrawing it subject to that?

Mr Bisson: Yes. We've already withdrawn that other one.

Mr Spina: I'm just trying to understand where you're at.

Mr Bisson: I just want to make sure. I think the answer is yes, but I want it on the record.

Mr Hardeman: I'm not sure that I could unequivocally say that it is the exact wording of the Municipal Act, but the interpretation of it would be that in municipal terms, if it's legal or personal, that would be an in camera meeting, or the purchase of property or something that may at some point in time appear in a court of law, and I think this has the same thrust. There are no added features to it that they could go in camera for other persons.

Mr Bisson: Just so you understand why I raised that, last week I was talking to some school board trustees who were saying that under the old boards there was a practice of doing almost everything in camera and that incensed one particular trustee. I just wanted to make sure that it's not opening up that kind of thing. I saw Mr Dimatteo and I saw the counsel for the ministry sort of nod that it was in keeping with other ministry guidelines under municipal affairs, so that answers my question.

The Vice-Chair: We are ready to move on to the Liberal motion.

Mr Sergio: We are moving to section 10 of the bill, section 41 of the Local Services Boards Act.

I move that section 41 of the Local Services Boards Act, as set out in section 10 of the bill, be amended by striking out section 41(1)3 and adding the following clause:

"41(1)3(a) Public health services that meet all provisions of the Health Protection and Promotion Act, including the board assuming responsibilities as a board of health.

"(b) The initiation of the provision of public health services by a board shall not result in a disruption of services mandated by the Health Protection and Promotion Act, for any reason."

To comment briefly, just to clarify the section in itself, I think it does not impinge on any other part of the act or

the clauses in here other than making clear the intent that it's included in the act. I think it deserves support.

The Vice-Chair: Comment?

Mr Bisson: I have a question, not a comment. I'm not sure I understand what that motion is attempting to drive at. As I read it, under 41(1), one of the mandated services, if we go by way of an ASB, is public health services under the Health Protection and Promotion Act. So public health, as we call the Porcupine Health Unit, would be part of an ASB. What I'm questioning is, under the motion brought forward by the Liberal Party, what exactly are you attempting here? I'm not following this one.

1710

Mr Sergio: That is ensuring the boards assume responsibilities as a board of health, which is not included in subsection 41(3).

Mr Bisson: Can you give me one moment? Can I ask for a two-minute recess just so I can read that, unless the parliamentary assistant can clarify it for me.

The Vice-Chair: Do you want to respond to that, Mr Spina?

Mr Spina: Yes, if I may. First of all, we have to keep in mind that the intent of the act is to create more efficient governance structures, not change program standards. I just want to reiterate that. This act does not intend to change the standards of any program the government delivers now. That's my preamble.

The minister, through the order that would establish an ASB, if and when an ASB was created, could deem the ASB to be a board of health for the purposes of the health act. Bill 12 specifically says the minister's order "shall not derogate from standards for the provision of services imposed under any act." The concern we have is that if an ASB was created in the way you described earlier hypothetically, if you have one existing health unit, you could end up with two health units — and we don't want that — that would not be able to deliver the same standard.

Mr Bisson: That doesn't jibe with what this amendment's about, but I never —

Mr Spina: The amendment's objective seems to indicate that if an ASB is created, a board of health will no longer exist.

Mr Bisson: That's what's being proposed?

Mr Spina: That's what's being proposed. That's what the Liberal amendment is about. It says, "Public health services that meet all provisions of the...act, including the board assuming responsibilities as a board of health." It does. It's designated by the minister.

Mr Bisson: Sorry, I didn't hear the last part.

Mr Spina: If they adopt public health services as part of an ASB, they do assume the responsibility of a board and the minister designates it as such, and must designate it as such in order to comply with the health act.

Mr Sergio: We amended the words "operating under the act."

Mr Bisson: To the critic from the Liberal Party, if you're attempting to do what I think you're attempting to do, I can actually support what you're trying to do here. That would be another way of solving my problem.

Mr Sergio: Let's vote.

Mr Bisson: I take it the amendment is not clearly understood by the member; it was brought by somebody else.

Mr Sergio: No, it was brought — I'm not the critic, but that's not the reason. It's fairly clear. I think the parliamentary assistant has given a clear description of the intent of our amendment. I appreciate your support.

Mr Bisson: Is this the only chance we're going to have to deal with section 41?

Mr Spina: No, this is section 40, I think.

The Vice-Chair: No, it's 41.

Mr Bisson: I ask the question to the clerk, because I have some concerns. If we vote on this, can we still deal with the content of 41? I'm prepared to bring it to a vote if I can raise my concern after.

The Vice-Chair: Any further comments?

All in favour of the Liberal amendment, raise your hands. Opposed? Motion defeated.

We'll move on to the next one.

Mr Bisson: Chair, before we move to the next one, which is 41(2), I have something in 41(1) that I want to deal with. It's not an amendment, but it comes back to a debate that we've had.

The Vice-Chair: Just a second. Mr Bisson, you wanted to make comments?

Mr Bisson: Yes, on subsection 41(1).

The Vice-Chair: Go ahead.

Mr Bisson: This is where the rubber is going to meet the road when it comes to my problem. As I understand it, we're going to form a DSSAB in Timmins and area, through the Cochrane district, probably imposed by the province because of what I explained earlier, that's going to say child care, Ontario Works and social housing will be services carried out under the DSSAB.

My problem is that now if we try to form an ASB, we're not going to be able to form a Highway 11 ASB because of what's in 41(3), very much because of what you raised a little while ago, parliamentary assistant, which is, we have a public health board in our area now that covers the entire Cochrane district. If I understood the parliamentary assistant, we're in a situation where if Cochrane Highway 11 people say, "We're going to form an ASB to take over those services we couldn't quite get right under the DSSAB," the minister would be in a position of being forced to change the geographical boundaries to include Timmins in order to include the Porcupine Health Unit. Am I correct in assuming this?

Mr Spina: If I may clarify, if you made that assumption, you might be correct. However, the ASBs have the flexibility, and in fact you and I both know it would be far more practical to leave the health unit intact. It does not preclude separate ASBs from sharing the services of a single health unit.

Mr Bisson: I thought in response to the question from the Liberal Party that you were saying you couldn't form an ASB that did exactly that. I thought that's what you were saying a little earlier.

Mr Spina: That's one of the dangers. If it was designated as such, the concern was that if you create an ASB — I'll take northwestern Ontario as an example. You have a northwestern health unit that goes from Atikokan to Kenora and up to Red Lake and so forth, basically everything but Thunder Bay district. If you had two ASBs up there, the concern was that you now would split the one public health unit. We're saying that was a concern that was raised, that you now end up splitting a health unit. But on the other hand we're saying no, under an ASB you would have the flexibility to share one unit to deliver the services to the different boards — or three boards, for that matter.

Mr Bisson: But as I understand section 41, those six services, which include public health, are core services that the ASB must deliver.

Mr Spina: Yes.

Mr Bisson: So you're saying that if, in our area, for whatever reason, you created an ASB that went from Matheson to Moosonee, and Timmins said, "We're remaining on our own," the Cochrane Highway 11 ASB would be able to do a sort of purchase of service to the Porcupine Health Unit to cover off that responsibility as required under section 41, and Timmins would do the same?

Mr Spina: Right now the Porcupine Health Unit has representatives from all those municipalities. It wouldn't change. The fundamental difference is that the area services board for the area outside of Timmins, for the sake of discussion here, would then assume the representation on that health unit.

Mr Bisson: It's really important for me to properly understand this. I think I don't understand it, the more I'm looking at this. I understood when I first read this legislation that the Porcupine Health Unit, if we went the way of an ASB, would cease to operate in its present form and would then reconstitute itself under the umbrella of an ASB. You're saying that's not the case.

Mr Spina: It is and it isn't. I'll clarify that. The current public health unit is under the direction of a medical officer of health. Each health unit is under a medical officer of health. The medical officer of health has a board of representatives which is appointed from all the communities that health unit covers. That would not change.

1720

What changes is that at this point, under the current structure, if you have eight municipalities that are paying their share into the public health unit, if five of those municipalities become part of an ASB, then the ASB would be the body responsible for paying its fair share for those municipalities to that health unit on behalf of those municipalities.

Mr Bisson: I want to try to put this in my own words because this is where the rubber meets the road on the other issue. You're telling me that in the end if we form a Highway 11 ASB —

Mr Spina: If you did, yes.

Mr Bisson: If we did, what would end up happening is that the ASB would have membership on the Porcupine

Health Unit. Rather than all the individual municipalities, it would be the ASB that would decide who the representation was going to be to the Porcupine Health Unit. The ASB would then send over their portion of the costs to the Porcupine Health Unit.

Mr Spina: Yes.

Mr Bisson: The city of Timmins would keep on doing what it's doing now but the Porcupine Health Unit would basically remain the way it is. So in fact — and this might be a good thing — it means that if we go by way of the ASB after Christmas, they would not be precluded from forming a Highway 11 ASB on the grounds of the public health services, because of paragraph 3 under subsection 41(1).

Mr Spina: That's a technical argument. Hypothetically that could be the case.

Mr Bisson: What I understood earlier, and that's why my antenna went up, I thought what you were saying was that you were precluded from forming an ASB if your ASB in geographical terms did not encompass what used to be prior boards that were in place delivering services such as social housing or health units etc. So you'll be able to do an apportioned cost.

Mr Spina: The ASB has the capability of contracting or agreeing with any other bodies for the delivery of services.

Mr Bisson: So if this legislation is utilized in our area, this will not in the end do away with the Porcupine Health Unit.

Mr Spina: It should not.

Mr Bisson: Because either way, they would be able to have membership on the board and the health unit would do its thing. The ASB would basically play the role of all the municipalities, as they do now.

The second question is on the same thing. When it comes to social housing, in our area we have a bit of a unique situation. We have Timmins Housing that contracts services in the cities of Timmins, Moosonee and Chapleau-Foley, and we have the Cochrane group that do their own along Highway 11. So it's a bit of the same question: If they go the way of the ASB, do they have to reconstitute the Timmins Housing Authority and the Cochrane district housing authority in any kind of way?

Mr Spina: I don't say they have to. I think it all depends on how they choose to structure their proposal, but they have the flexibility to work with it as long as the province is assured that the level of service that's being delivered is consistent or better than we started with.

Mr Bisson: Technically what could happen is that if we put together an ASB proposal on Highway 11, again for the sake of argument, they could say, "We will, in the Moosonee area, continue purchasing services for social housing from the city of Timmins through Timmins Housing, and as for the rest of our area, we're going to use what we used to use before."

Mr Spina: If that's in the proposal and it's acceptable to the minister, then —

Mr Bisson: That's the point I'm getting at here. It's acceptable to —

Mr Spina: You know I can't answer that.

Mr Bisson: It comes back to the point that the Liberal caucus raised a little while ago. I want to make sure we don't end up in a situation where our municipalities say, "Hey, we can use Bill 12 to fix our DSSAB problems," and then are handcuffed because they have to get Timmins Housing reconstituted and Cochrane district housing reconstituted and the Porcupine Health Unit reconstituted in order to form their ASB. Do you follow where I'm coming from? I just want to make sure in the end, if they do form a Highway 11 ASB, that they can purchase services in some part from Timmins Housing and from the other part of the Cochrane district that is doing it now.

Mr Spina: Those powers are all within the act to the best of my knowledge.

The Vice-Chair: Mr Bisson, thank you. We'll move on to —

Mr Sergio: He spoke in support of the motion and then he voted against it.

The Vice-Chair: Yes. I have Mr Spina first.

Mr Bisson: He was voting? I didn't know what was going on.

Mr Spina: I believe we voted on — you and I just had a discussion.

Mr Bisson: Just for the record, I saw the parliamentary assistant's hand go up and I thought he was voting on something.

The Vice-Chair: No. I was acknowledging him.

Mr Spina: I was trying to get the Chair's attention.

I'd like to move a deadline for receiving new amendments. I think all parties have had sufficient opportunity now to propose amendments. I just want to make a motion that the deadline for receiving new amendments be 6 pm tonight.

Mr Bisson: I agree.

Mr Spina: I seek unanimous consent on that. I'll make the motion.

The Vice-Chair: I think it is in the power of the Chair to make the decision on a deadline. Because the Chair is in the House right now, I think we'll defer on that decision until he comes back. We'll ask him to do that.

Mr Bisson: Can you tell us when the Chair is returning from the House?

The Vice-Chair: I understand momentarily. He's speaking now.

Mr Bisson: Oh, he's up on his feet.

The Vice-Chair: I think we want to move on to the NDP motion.

Mr Bisson: I believe we're dealing with section 10 of the bill, paragraph 9 of subsection 41(2) of the Local Services Board Act.

I move that subsection 41(2) of the Local Services Board Act, as set out in section 10 of the bill, be amended by striking out paragraph 9.

Paragraph 9 refers to "Any other service designated by the minister."

I'll give you my rationale behind this. We may or may not have a problem here because of amendments we know are coming. The reason we put our amendment forward is

that when we read originally how 41(2) works, these are the additional powers that the ASB can ask the minister to deliver as far as services. As the legislation was originally written, we understood that the minister can also foist these services on to the municipalities. If you read through it, it listed a whole bunch of services — waste management, policing etc, but at the end it said "any other service designated by the minister." That seems pretty open to us. That's why we've put forward this particular amendment.

My question to the parliamentary assistant is, I take it we can actually strike out paragraph 9 without causing the government any problem because of the amendments that you and I have coming up which basically say the minister can't invoke any other services on to the municipality or the ASB in the first place.

Mr Spina: I believe we have to leave it in there, and it's for this reason: As we talked about earlier, when other services are being considered, it gives the minister the authority to designate it. That's the reason it's in there.

Mr Bisson: Run that by me again.

Mr Spina: If you go to the beginning of the paragraph, it says, "If required to do so by an order...." In other words, you're looking at that little number 9. Go back to (2).

Mr Bisson: Yes, I see what you're saying.

Mr Spina: "If required to do so by an order, a board shall provide or ensure the provision of one or more of the following services to the extent that a service delivery agency is required by law to provide them or ensure their provision." Then it lists all these other optional services and "any other service designated by the minister." When the services are applied for, if there are services beyond those eight optional, I'm sure something could be found. But if an ASB had a totally different service they wanted to deliver, then they could include that in their proposal. This empowers the minister to designate it as one of those optional services.

1730

Mr Bisson: It would remain, then, if we accept the amendment the government is going to put forward, or I'm going to put forward, because we have the same amendment.

Mr Spina: That's the check and balance. The other amendment that we agree on is the check and balance to this one.

Mr Bisson: That's just what I want to clarify for the record, that, in the end, if we adopt the amendment that both the government and the NDP have, it would limit the ability of the minister to pass on additional services other than the core services established in 41(1). I'm fine, because I think what you're saying is that 9 would then be enabling, in a sense.

Mr Spina: Yes.

Mr Bisson: I think we understand each other.

In that case, I'm going to withdraw our amendment.

The Vice-Chair: OK. We move on to the next motion.

Mr Bisson: I have an amendment here. I just want to get my page back.

The Vice-Chair: Just note here that it is identical to the government motion.

Mr Bisson: Yes, and I am about to move it.

Mr Spina: What I'm prepared to do, Madam Chair, is withdraw the government motion in favour of the NDP motion.

Mr Bisson: Oh, that's interesting. Let me order my papers and say thank you to the parliamentary assistant.

I move that section 41 of the Local Services Board Act, as set out in section 10 of the bill, be amended by adding the following subsection:

"Restriction

"(2.1) An order shall not require the provision of any service mentioned in subsection (2) unless a proposal requesting its inclusion in an order has been made."

For the record, I don't think we're going to debate this at any great length, because we've already gone through it. We understand this amendment to mean that the minister will not be able to add on any services that are listed in 41(2) unless the ASB requests them.

The second point I want to make, as I said earlier to the rest of the government committee, is that this was an issue that was raised, as you know, in committee. People were quite concerned about giving the minister those kinds of powers. We can now see that the government did indeed hear those concerns and came forward with an amendment identical to the one brought forward by the NDP. It shows me you listened on that one.

I want to say to the parliamentary assistant — it's not often that you get a lot of praise from me, Joe. In this particular case, the parliamentary assistant could have chosen to say —

Mr Michael Brown: Same old gang.

Mr Bisson: I want to put this on the record, because I think, as parliamentarians, this is important. The government could have said: "To heck with you. We're going to vote down the NDP motion just to make it our motion in the end." In this particular case, the parliamentary assistant decided, "I'm going to try to be a fair kind of guy, and I'm going to allow the NDP motion to stand." I want to thank the parliamentary assistant, on the record, for being a good sport about all this and recognizing that we in opposition do have valid concerns, we bring them forward and we try to work legislation as best we can. So, my thanks to the government and the parliamentary assistant.

The Vice-Chair: Any further comments? Can we vote on this amendment?

All those in favour?

Mr Bisson: Can we record this one? Just for posterity.

The Vice-Chair: All those opposed?

Carried.

Mr Bisson: I called for a recorded vote.

The Vice-Chair: You want a recorded vote?

Mr Bisson: Yes, for posterity. I'm going to pin that up on the wall.

Ayes

Bisson, Michael Brown, Danford, Froese, Hardeman, Spina.

Mr Bisson: Chair, if you wouldn't mind, I'm going to take this Hansard and post it to show that the government actually voted with me for a change. It's a good feeling.

Mr Hardeman: On a point of order, Madam Chair: I want to point out that I did have great difficulty. As was mentioned, the government motion was identical to this, and I was quite prepared to vote for that, but I did have to strongly consider whether the same issue proposed by the opposition was still worthy of the vote. It was a difficult challenge, and I appreciate that I was able to support it.

Mr Bisson: That's very good, and I thank the parliamentary assistant for municipal affairs for having supported it.

The Vice-Chair: Let's move on.

We're looking at a government motion.

Mr Bisson: Chair, just one quick thing.

The Vice-Chair: Mr Spina has the floor.

Mr Spina: This matter was raised during the committee hearings in the Soo.

The Vice-Chair: Are you going to read the motion, please.

Mr Spina: I move that section 41 of the Local Services Boards Act, as set out in section 10 of the bill, be amended by adding the following subsection:

"Agreement with other board

"(5.1) A board may enter into an agreement with another board for the provision of a required service by that board in the board area of the first board."

This matter was raised during the committee hearings in the Soo. The motion clarifies, and it was part of our discussion earlier with the member for Cochrane South, that an ASB can contract with another ASB for the delivery of any of its required services. We thought that was an important element, flexibility of the boards.

Mr Bisson: My only problem is that I can't find the amendment. If you can give me a moment. Sorry, I didn't get at the beginning what section it was.

The Vice-Chair: Section 10, subsection 41(5.1).

Mr Bisson: Why do I have (2.1) here? It's 5 on the top? Whatever happened to 4? That's why I'm confused here. Have we already dealt with what was 4, the government's 4?

The Chair: Yes. That's the one that was withdrawn.

Mr Bisson: If I had read it, I would understand.

Mr Froese: You're glorying in your victory.

Mr Bisson: Hey, listen, they're few and far between, my friend. Let me revel in that as long as I can.

Now we're looking at government number 5.

Mr Spina: "Agreement with other board."

Mr Bisson: To the parliamentary assistant, ASBs would be able to share services between them. Would that also include what we talked about earlier, which was the sharing of services with the health unit, the housing authority or whatever?

Mr Spina: They can contract with other ASBs for the delivery of any of the required services.

Mr Bisson: Including health units etc?

Mr Spina: Yes, all of the services that are accepted and deemed to be authority under the board.

Mr Bisson: I'm not going to hold this up very long. Just to properly understand, I come back to my hypothetical situation: forming an ASB on Highway 11. This in no way would hinder the formation of the ASB on Highway 11, excluding Timmins, because it would basically say that you can share services between the city of Timmins and the ASB if that's appropriate in this particular case or within another ASB or an agent such as the health unit?

Mr Spina: If all of the other elements of the proposal were acceptable to the minister, as was the context of that one, then I don't see where there would be a problem. It falls within the jurisdiction of this amendment. That's why we put it in.

Mr Bisson: I'm prepared to vote for it.

The Chair: In that case, I'll call the question. We're voting on subsection 41(5.1). All those in support? That's carried.

Mr Bisson: Just let the record show that we did vote with the government.

The Chair: We have another government motion.

Mr Bisson: Chair, may I ask for a small break? We're alone for caucus here, and I've really got to go for a walk, if you know what I mean. May we ask for a five-minute break?

The Chair: Yes, a five-minute break.

The committee recessed from 1739 to 1744.

The Chair: We will reconvene the meeting. At this point, we are going to wrap up because we are already scheduled. Mr Bisson had a prior motion, as members would know, to stand down one of the amendments. He wanted to consult with one of his peers and bring that back to the committee.

We are scheduled, as you know — you've each been notified by the clerk's department — for next Thursday. At that time, it would be the intention, looking at what progress we've made, to be complete and have the bill concluded next week.

I would entertain any discussion, Mr Bisson, if you wanted to, with respect to the tabling or filing of any other amendments, with no pressure intended, just to more or less administratively say — Mr Bisson, do you see any of your caucus?

Mr Bisson: No. I thought the decision was already made, because I understood at the subcommittee that we were going to put a date for finalizing when the amendments would come forward. I thought that was actually the day we come back for clause-by-clause.

The Chair: Mr Brown, is that fine with your caucus?

Mr Michael Brown: Certainly we don't anticipate more amendments, but I would say that I have chaired a lot of committees around here and sometimes committees

find amendments all by their little selves as they go through sections that nobody anticipated, and I wouldn't want to be precluding the committee from making an amendment. Amendments are always in order, but in good faith we have no intention at this moment of making any. But to say we won't is beyond —

The Chair: I agree, and I completely concur. With that in mind, if anyone has any formal motions with any remaining sections, make sure to expeditiously get them to the clerk, and they'll be circulated. But we'll try to aim and schedule towards completion of discussion. Any technical questions or other questions that you may want to bring to the attention —

Mr Bisson: Chair, just to clarify, you were on the subcommittee, weren't you? I thought we had made this decision. That's why I am a little bit confused here. I thought we had decided we would bring all the amendments forward the day the committee of the whole came back.

Mrs Munro: I thought so too, but I don't have my subcommittee report.

The Chair: I was just speaking with the clerk, and the clerk said there wasn't any formal resolution at that time. But if you would care to move that now, it clarifies it, given that it only takes unanimous consent for this committee to accept amendments. That would be a way to address your concern, Mr Brown.

Mr Michael Brown: On that point, I would just say that it probably is to the opposition's benefit to have no more amendments under any circumstance requiring unanimous consent, because if we do find something that's legally incorrect or doesn't say exactly what the government says, and you require unanimous consent to fix it, one of us could fix you. I just don't think that's very advisable from your perspective.

The Chair: As the Chair, of course, I'm neutral in this discussion; I just want to bring fairness. I would defer to the parliamentary assistant. Is that in order with your minister's and your timing? It's an appropriate suggestion Mr Brown brings up, about other debates that ended up in the need to make administrative changes. Have you any further comments?

Mr Spina: Based on the assurance that has been stated by both members of the opposition here, I think that's reasonable. If there are any points of law, I think that's a good point, that we have to clarify. We just need to leave the flexibility for ourselves to be able to modify.

Mr Bisson: Just one quick question: Just so we know when we're coming back, we'll be coming back and dealing with what amendment now?

The Chair: We'll be working on the current one, one of the government amendments, dealing with section 10, subsection 41(7).

Mr Bisson: So that's where we're at now, right?

The Chair: Yes. With that, I call this meeting adjourned.

The committee adjourned at 1749.

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STANDING COMMITTEE ON GENERAL GOVERNMENT

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Mr Ernie Hardeman (Oxford PC)

Mr Joseph Spina (Brampton North / -Nord PC)

Mr Len Wood (Cochrane North / -Nord ND)

Also taking part / Autres participants et participantes

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Mr Aime Dimatteo, senior manager, northern services implementation team,
Ministry of Northern Development and Mines

Clerk / Greffier

Mr Tom Prins

Staff /Personnel

Mr Jerry Richmond, research officer, Legislative Research Service

Mr Christopher Wernham, legislative counsel

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Committees

Standing Committee on General Government

2nd session, 36th Parliament

Issue G-5

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Thursday 15 October 1998

Northern Services Improvement Act, 1998, Bill 12, *Mr Hodgson* / **Loi de 1998 sur l'amélioration des services publics dans le Nord de l'Ontario, projet de loi 12, *M. Hodgson***

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Mr Ernie Hardeman (Oxford PC)

Mr Bert Johnson (Perth PC)

Mr E.J. Douglas Rollins (Quinte PC)

Mr Joseph Spina (Brampton North / -Nord PC)

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Mr Tom Prins

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Mr Christopher Wernham, legislative counsel

The committee met at 1006 in committee room 1.

NORTHERN SERVICES IMPROVEMENT ACT, 1998

LOI DE 1998 SUR L'AMÉLIORATION DES SERVICES PUBLICS DANS LE NORD DE L'ONTARIO

Consideration of Bill 12, An Act to provide choice and flexibility to Northern Residents in the establishment of service delivery mechanisms that recognize the unique circumstances of Northern Ontario and to allow increased efficiency and accountability in Area-wide Service Delivery / Projet de loi 12, Loi visant à offrir aux résidents du Nord plus de choix et de souplesse dans la mise en place de mécanismes de prestation des services qui tiennent compte de la situation unique du Nord de l'Ontario et à permettre l'accroissement de l'efficacité et de la responsabilité en ce qui concerne la prestation des services à l'échelle régionale.

The Chair (Mr John O'Toole): We reconvene this meeting of the standing committee on general government to deal with Bill 12. Failing any opening comments - I think we've dealt with that - for the sake of order here this morning we are now dealing with a government motion dealing with section 10, subsection 41(7). I assume everyone has that before them. Perhaps I could call on Mr Spina to address that amendment, or move the amendment first.

Mr Joseph Spina (Brampton North): There was a drafting error that is being corrected. It clarifies that the prohibitions on providing the enhanced level of services and charging fees -

The Chair: Mr Spina, before we speak to the motion, could I have on the record moving the motion, please.

Mr Spina: I move that subsection 41(7) of the Local Services Board Act, as set out in section 10 of the bill, be struck out and the following substituted:

"Non-application of provisions

"(7) An order may provide that a board,

"(a) shall not exercise the powers referred to in subsections (4) and (6) in respect of the required services specified in the order; and

"(b) shall not enter into an agreement for the provision of a required service by an authority referred to in clause (5)(b), another board or any other person or entity."

The Chair: This is moved by Mr Spina as he has read the amendment. Is there any debate on that amendment?

Mr Gilles Bisson (Cochrane South): I'd like to hear the explanation of the parliamentary assistant and then I have a specific question.

Mr Spina: In clause (a) there was a drafting error that was corrected. It clarified that the prohibitions on providing the enhanced level of services and charging fees can apply to one or more services.

Clause (b) complements the amendment to subsection 41(5.1). The minister's order may prohibit ASBs contracting with each other to provide specified services. What we're trying to do is make that complementary so they can't.

Mr Bisson: Specifically, what I want to know is, because this mentions paragraph 6 of subsection 41(2), one of the eight additional services that an ASB can go and get from the minister once it's established or set out in that part of the bill, one of those being police services - the parliamentary assistant would know there's the debate ongoing right now in the city of Timmins in regard to policing services between the Timmins Police Services Board and the Ontario Provincial Police.

I guess my question is a fairly straightforward, simple one. Under this ASB legislation, could the city of Timmins decide to go by route of the preferred option, which would be that within the boundaries of the city of Timmins, the Timmins Police Services Board police about half of the area, which is the urban part of the community, and the rural part is done by the Ontario Provincial Police? My question is, could that arrangement stay under the ASB afterwards?

Mr Spina: Yes. That's part of the reason the clause is here. What it's saying is that you cannot contract the other ASB to split the services, but it does permit you to contract the deliverer of the service. So whether it was OPP or the local or regional police force, they can contract that in any way they can. But if those services are under another ASB - they should be dealing directly with the deliverer of the service is what I'm saying.

Mr Bisson: So the city of Timmins could say under this scenario, if they were to go by way of ASB and require the police services as one of the additional services they delivered, that the police of the city of Timmins will police the built-up urban area, as they do now, and the ASB will contract the service for the remainder of the built-up area through the Ontario Provincial Police.

Mr Spina: If that's what they choose, but the agreement has to be made directly as opposed to through the ASB, or the other ASB.

Mr Bisson: Then it would be logical that you could also do that if they don't use an ASB. I see a nod, but I want for the record -

Mr Spina: Yes.

Mr Bisson: So if they don't go by way of an ASB, the city of Timmins can keep their police and contract out the services in the outlying areas, the rural part of the riding, to the Ontario Provincial Police and do that directly with the OPP.

Mr Spina: As governed by the police act, yes.

Mr Bisson: The second question that follows from that comes on the heels of what I asked you about this section last week. I've had a chance to go back and talk to municipal officials. You would know from the papers this week - I just brought one article with me - that the DSSAB negotiations have broken down in our area. I'm not going to bore you with all the details; I think we know what they are. Suffice it to say that there is a feeling with the Highway 11 corridor that they don't want a DSSAB set up that would have the power of balance tilted towards the city of Timmins. Both parties have walked away from the board in regard to a DSSAB. The city of Timmins doesn't want part of the DSSAB and neither does the Highway 11 group want anything to do with the DSSAB. They're looking at trying to set up their own.

My question is, and I come back to this legislation, if the city of Timmins and the municipalities of Highway 11 were to decide that they want to put forward proposals that would see them, for example, create one ASB which would be a Highway 11 ASB, for example Matheson to Hearst, excluding Timmins, would the ministry look at such a proposal in a favourable way, and could they do it with the exclusion of Timmins and let Timmins do their own?

Mr Spina: As I said in the past, I can't answer for the minister on a theoretical proposal. What I can say is that if all of the factors surrounding the positive delivery of services in a more efficient manner met all of the criteria that we are trying to lay out, both in the legislation and in the regulations, then the minister could look at it favourably. We've always said that a well-designed ASB, complete with a consent mechanism etc, would supersede a DSSAB. If all of the parameters in the proposal met the criteria and the objectives of all parties, then clearly an ASB could replace a DSSAB model and the scenario might play out that way.

Mr Bisson: So the minister would have the ability under this legislation, if he chooses, to allow, if it's viable, an ASB to be formed that would exclude the city of Timmins?

Mr Spina: Yes.

Mr Bisson: Again for the record, and this is important because we know this debate is going to be ongoing November-December this year, Parry Sound is an example that has created its own DSSAB, as I understand it, separate, that is a smaller entity than the ministry originally had anticipated. Again in the Sault Ste Marie area, we know that the city of Sault Ste Marie is basically going on its own with the municipalities just around it, which are smaller unorganized areas, and then the greater Algoma area is creating its own DSSAB that's going to deal with delivering services under the Ecker bill.

What we've got is a scenario similar to what we have in Timmins. Sault Ste Marie is going on its own with a couple of municipalities around it that are fairly small, and the rest of the region is going on its own, so you're going to have two separate ones. I can see the precedent is there and I acknowledge that the parliamentary assistant is saying the minister does have the power to set up an ASB that would make some sense geographically and economically and it would be a possibility to do a Highway 11 ASB that would exclude the city of Timmins, as we've seen in Sault Ste Marie and we see in Parry Sound.

Mr Spina: Provided all of the criteria were met.

Mr Bisson: Yes. Again for the record, we know that's been done in Parry Sound; we know it's been done in Sault Ste Marie. Our ASB would actually be larger than most of theirs, so I don't see any logic why we would say no. Again for the record, rather than just having you sign, for the record -

Mr Spina: Beyond what I said, I can't say any more than that. Thank you.

Mr Bisson: All right. No further questions.

The Vice-Chair (Mrs Julia Munro): Any further comments? I call then for this motion: All those in favour? Those opposed? Carried.

We'll look at the next motion, a government motion.

Mr Spina: I move that subsection 41(9) of the Local Services Board Act, as set out in section 10 of the bill, be struck out and the following substituted:

"Administrative functions

"(9) The Attorney General and a board may enter into an agreement under part X of the Provincial Offences Act and, without such an agreement, a board shall not provide the services referred to in paragraph 4 of subsection (2)."

This clarifies the need for an agreement with the Ministry of the Attorney General before an ASB can provide courts administration and prosecutions under the Provincial Offences Act. It's just to ensure compliance with the act under the AG.

The Vice-Chair: Any questions?

Mr Bisson: I take it this is an extension of what you did under Bill 108, where you basically transferred

to municipalities the ability to prosecute provincial offences at the local level.

Mr Spina: Yes. What it does is, it says that if it doesn't fit the criteria, then the board cannot just arbitrarily jump in and begin delivering the services. So it's a clarification.

Mr Bisson: A couple of specific questions on this one. You would know there was a fairly significant debate when it came to French-language services when we transferred those services through Bill 108 to municipalities. There was an amendment agreed to at the committee-of-the-whole level that basically, according to the government, gave certain protections to French-language services once those services are transferred to the municipality. I'm of the view that the amendment doesn't go as far as it should have, but nonetheless it's there.

Will that particular amendment also apply? Will the same practices established in that amendment apply to this particular section?

Mr Spina: I believe, if I recall the amendment correctly, it's that where the local municipality chooses to continue to deliver services in French, they are permitted to go ahead and do so.

The philosophy here is, I think, very consistent with the other local services alignment legislation, where French-language services were not addressed in Bill 152. What we're saying is that we're trying to make it consistent with all the other legislation, Gilles, so that the province is no longer delivering the services, which of course would mandate the delivery of French. Where the population is substantial, sufficient enough to warrant the delivery of French services, that is one of the criteria that would be addressed through the minister's order. The minister would look at the program-by-program basis of the ASB applications and determine that if the population is there, then he or she, the minister, would include that as part of the proposal that ought to be considered and adopted.

Mr Bisson: Before I go any further, for the record I have a question of the clerk of the committee or the Chair. I notice we don't have translation equipment here today. I would much rather have this debate in French, to be honest. I'm just wondering why we don't have any translation equipment, because if I speak in French at this point nobody's going to understand me, other than myself. Can I have an answer why we don't have translation equipment?

The Vice-Chair: I'm told that it's only available in room 151 and there was no request to put it there.

Mr Bisson: Again, for the record, I feel a little bit uncomfortable - just understand that this debate and this next amendment I was planning to do entirely in French. The problem I now have, because there is no translation equipment, is I'll be talking to myself. That's not fair to members of the committee who want to hear what I have to say, and I guess under protest I'm going to do it in English but I just want to put that on the record.

On this particular amendment, as follow-up to the parliamentary assistant, you said at the beginning it would be up to the municipalities to decide if they want to provide French services. I would want to say categorically, very strongly, that's not what the intention of Bill 8 is. You know that Bill 8 says that in areas that are designated, French-language services will be provided for provincial services. My concern here is that once you transfer the Attorney General's responsibility when it comes to provincial offences to the ASB - to me it's not if I want to do it; it's "You're going to do it." So that's the answer that I'm looking for from you, that you're going to at least live up to the commitments of the amendments made in Bill 108, which are minimal, where the minister will ensure that French-language services are provided to francophones according to that amendment we passed under Bill 108.

Mr Spina: Let me clarify that if I can. Help me recall Bill 108; that's really what I'm asking you to do. If I understand correctly, and I think counsel also advised me on this, there was an amendment in 108 to say that where French-language services were being provided by the province, it is to be carried on. Is that correct?

Mr Bisson: I don't want to get into that debate again, but originally there was no amendment. The minister was going to take the position that services would be protected through the memorandum of

understanding that would be signed between the Attorney General and the municipality.

We had proposed an amendment that basically extended the Courts of Justice Act protections and the Bill 8 protections into Bill 108. That was not accepted by the government. Instead, your government negotiated an agreement with l'association des juristes ontariens that basically says, in a synopsis, that if I, as a francophone, go to court in the new municipal structure and I'm refused services in French, I now have the ability to appeal to a provincial court that my case was somehow prejudiced by the fact that I was not given a trial in French. That's the amendment that you guys have agreed to. I think that doesn't go far enough, but I want to know if that particular amendment is going to still stand when it comes to this legislation.

Mr Spina: Yes.

The Vice-Chair: Any further comments or questions? I call then for the vote.

Mr Bisson: I want a recorded vote on this one.

Ayes

Elliott, Froese, Bert Johnson, Rollins, Spina.

Nays

Bisson.

The Vice-Chair: The motion is carried.

Mr Bisson: On a point of order, Madam Chair: Just very quickly, I want for the record the reason I voted against it. I realize you're going to apply the amendment that was accepted under 108, but my position is that the amendment does not do anything anywhere close to what I want it to do.

The Vice-Chair: Thank you very much.

The next motion is an NDP motion.

Mr Bisson: I'm the only member on committee and I have one of my staff people here who is patiently wanting to tell me something having to do with caucus services. Could we have a five minute-recess?

The committee recessed from 1025 to 1031.

The Vice-Chair: We'll come to order again. Mr Bisson, you're going to introduce this NDP motion?

Mr Bisson: I move that section 41 of the Local Services Board Act, as set out in section 10 of the bill, be amended by adding the following subsection:

"French language rights

"(11) When a board provides or ensures the provision of a service under subsection (1) or (2), the same French language rights (including those under the French Language Services Act and the Courts of Justice Act) exist as if the service were provided by the government of Ontario."

I think the motion is fairly straightforward, and we got into this a little bit earlier. I just want for the record yet again to make sure that I put this on Hansard. We're at a committee hearing this morning where translation services are not available. Normally this debate would, in the Legislature and other committees, be done entirely in French and translation would be available to members who can't speak French. Unfortunately, this committee room is not equipped for translation services. I would prefer to do this debate in French, but I think it would be unfair at this point. Members would not have an idea what the arguments on the merits of the amendment are. I want to make sure that people understand, so I'm

doing this under protest. I would rather do it in French; nonetheless, I will have to do it in English because we have no translation services, which is an item I will raise with the Speaker at a later date. I wasn't aware that this was the case.

The amendment is very straightforward. We see the government, by way of this legislation, transferring over to municipalities a number of services as set out in the act. If we look at the act itself under subsection 41(1), these are core services. We're transferring over child care, assistance under the Ontario Works Act, 1997, public health services under the Health Protection and Promotion Act, social housing, land ambulance services, and homes for the aged.

These are all services that are now protected under Bill 8. So if I live in the city of Timmins or I live in Hearst, Kapuskasing, London, Ottawa, Sudbury, Toronto - all places designated by Bill 8 - I know as a francophone I can go to any of these counters and get services in French because they are protected under Bill 8.

Further, you are also by way of this legislation now allowing municipalities to go get additional services that they would offer under the area services board. Those are set out in subsection 41(2). Those are services promoting economic development; airport services; land use planning under the Planning Act; administrative functions under the Provincial Offences Act, such as we just talked about, by transferring over provincial responsibility to the municipalities for the services of provincial offences when it comes to prosecution; waste management; police services; emergency preparedness; roads and bridges; and any other services that the minister may require. That part has been amended.

The point I make is this: Most of those services under subsection 41(2) are also services that are either protected under the French Language Services Act or protected under a federal statute, in the case of the airports. Provincial airports are protected under the French Language Services Act. For example, Kirkland Lake, Kapuskasing and Hearst are provincial airports that are now transferred over to municipalities. Those are airports that would have been protected under the French Language Services Act.

So my amendment is quite simple, quite clear. It's saying that if we agreed in this Legislature back in the 1980s that we would establish by all-party agreement at the Legislature with the Tories, the Liberals and the NDP that we would provide services in designated areas under Bill 8, I don't want to see that eroded by way of this act. The amendment is a friendly amendment, not to establish new services for francophones, but let's at least guarantee that when we transfer over the services by way of the ASB, the French Language Services Act would apply.

Mr Spina: I fully respect the opinion and the comments and the frustration that the member feels. I agree with you that you should have had the right to be able to debate this in your first language choice. We respect that.

One of the things we have to keep in mind with respect to this bill is that the objective of the ASB bill or this Bill 12 is not intended to be something that prescribes, something that supersedes other bills. You very clearly articulated that many French-language services are currently being protected in various ways under other acts, under some transition agreements and so forth.

The concern we would have in supporting your amendment is that this Bill 12 will then become prescribing over other acts. That's the concern we have, that our objective with Bill 12 really is to be complying with the other acts. Where French-language services are being guaranteed by other acts and other agreements and other regulatory powers, the ASB act would then follow suit. The expectation is that where French-language services are being delivered now either by the municipality - and many of the services that you indicated were already municipal services being delivered in both languages - we would expect that this would continue to be provided under the minister's order where it's not covered by a specific bill.

Mr Rick Bartolucci (Sudbury): I'll keep my comments very short today. I'm going to be very much in support of this amendment. The parliamentary assistant said that Bill 12 does not want to prescribe or supersede other acts. I agree with him. Let's make sure then - and I think this is the intent of the

resolution - that our legislation, and this particular piece of legislation, works in harmony and in compliance with other acts; in particular, in this instance, Bill 8.

What this shows to the people of Ontario, those who wish to have services in the French language, is that there's a common respect for French-language services and a common availability of French-language services. It's a friendly amendment, as the member said. What it does is it ensures that that common respect is there. It sends a clear message as well that since we're going to prescribe the option of Bill 12 to the people of northern Ontario, there is the corresponding right and option that that service can be delivered, managed and executed in both official languages.

Although it's a friendly amendment, it's very important for the people of northern Ontario and for all Ontarians to understand that Bill 8 was put in place for a particular reason. What this amendment does is ensure that there is harmony between Bill 12 and Bill 8. It is a friendly but very important amendment and I will be supporting it.

1040

Mr Ernie Hardeman (Oxford): Madam Chair, first of all I want to say that I will not be supporting the amendment. I think one of the important things we have to recognize is that when Bill 8 was passed with all-party support a number of years ago, it was put in place to obligate the province to deliver services in those designated areas in both French and English. It didn't go so far as to impose that upon municipalities. Municipalities, the governments closest to the people, that represent their local community, proceeded on their own. I think in almost every instance where the French Language Services Act applies provincially, invariably in those areas where we have that need for French as the first language, the local government has seen fit to provide those services in the languages that their constituents would like.

I think it's important to recognize that as the local government in the north decides that they want to set up an area services board, they will be able to provide the services for their constituents, again, in the same way that they provide their present services. The local service board, the area services board, is not a branch or a structure of the provincial government but in fact a local service board designed for and implemented to provide local services.

We think that in the areas where they would be taking over a service that is presently provided by the province that would be provided by an area services board, the minister could and would through the regulation approval put in there what amount of French-language services would have to be provided in delivering that provincial service, keeping in mind that if it was a provincial service, it is covered by Bill 8 and would be provided that way.

In setting up an area services board, the minister could in that regulation provide for the required French-language services. We believe that should be done on a case-by-case basis. That shouldn't be done across the board, that everything that was shall be. Invariably there could be areas that presently are not covered by Bill 8 in an area and where in setting up a service board it may very well include that area. That would require special consideration on an individual, case-by-case basis. It's far better for all our citizens to have it there so it can be applied fairly and equitably and appropriately for all citizens.

With that, I would not be supporting the amendment put forward by the member opposite, as I think the government approach is a far better approach in dealing with French-language services.

Mr Bisson: I'm really feeling a little bit upset, I guess is the word - not a little bit; quite a bit upset. I really want to do this in French. First of all, as a member, I have a right to express myself in French according to the standing orders, and I'm feeling somewhat at a loss here not being able to do so because we don't have translation services. I asked the clerk to see if there's some arrangement that could be made, because as far as I'm concerned, I don't want to do this debate in English.

I want to respond to a couple of things because I think you're way off base, both the parliamentary assistant to municipal affairs in your last comments, and I want to comment to the parliamentary assistant to northern development.

The comment was made that basically where Bill 8 now applies, municipalities on their own are providing services to their local citizens in French. Non. Ça n'arrive pas. Pas pour deux secondes. Doesn't happen. What you have are municipalities that still refuse to provide services to their citizenry in any kind of official manner in areas that are designated by Bill 8 by majority, not by minority. The vast number of municipalities out there which are covered by Bill 8, by and large, do not offer officially any services, when it comes to municipal services, to the people in their constituency in French.

You have it happening in communities like Hearst and Kapuskasing. It's a bit of a different situation there. The francophone population is, by majority, the largest voting block within those communities, and by and large they tend to elect francophones to council who understand the issue. It only is logical at that point that those municipalities declare themselves to be officially bilingual. But in such cases as a whole bunch of communities out there where francophones are not the majority - they may be 20%, 30%, 40% - they do not control the councils in any kind of way and are at the whims of their municipal councils who choose not to declare the municipalities officially bilingual.

I come from the city of Timmins; 47% of the population in the city of Timmins by and large is French. We are not a bilingual community. Our municipality is not officially bilingual. They do offer services unofficially to the citizenry of the community of Timmins in French. They do that as a policy, but it is not a bylaw as passed by the municipality. The reason we need the amendment is for that very fact. The municipalities will not deliver those services in French. We're being told that already.

I have one article here on what's happening in the DSSAB in the city of Timmins. The article says that the fear on the part of the municipalities on Highway 11, and one of the reasons they don't want to go the way of the DSSAB, is because the DSSAB will not declare itself officially bilingual. The people in Hearst and the people in Kapuskasing and the people in Cochrane and all communities in between, who are by majority francophones, are pretty upset that that is not going to be done.

It's not to say that the city of Timmins would not want to offer services in French, but they will do so on an unofficial basis. One of the reasons people have pulled out of the DSSAB is because they know that this new board will not declare itself officially bilingual. If that doesn't happen, they will have no protection under the DSSAB act or under this act to be able to determine and to make sure that services are provided in French. Communities that I represent, and also, as the francophone affairs critic, other communities outside my riding, are saying to me, "Gilles, please make sure whenever they're transferring over services that we do protect ourselves and what we have now under Bill 8."

I say to the parliamentary assistant, with all respect, you're off base. That is not the history; that is not the example we've seen in Ontario. Municipalities by and large don't. I don't need to remind you of the debates of the late 1980s in Sault Ste Marie and Brockville and a whole bunch of other places which went around declaring themselves unilingually English after Bill 8 had been passed. They didn't do that for the fun of it. They were pretty serious when they did it because they don't want to provide services in French to their citizenry. All the more reason why we need to have this amendment passed.

The parliamentary assistant to municipal affairs said that this should be done on a case-by-case basis, inferring that once ASBs are set up, we should look at it service by service, region by region, municipality by municipality, and decide what would be the best appropriate mix. That ain't good enough. We have an act now. It's called Bill 8. It says that if you're in a designated area, so be it; you're covered by the French Language Services Act. It's not on a case-by-case basis; it's a provincial statute.

In this particular case you're saying, "Once we transfer services over to the municipality, we're going to do it case by case." It's not good enough. You need to have the protection of a statute because we know what's going to happen case by case. The ASBs are not going to come to the provincial government requesting that the government put inside the memorandums of understanding clear protection for French-language services. It's not going to happen.

You had said it was put in place to obligate the province, not municipalities. Your comment at the beginning was that when the province put in place Bill 8 in the 1980s, it was done in order to obligate us in designated areas when it came to provincial services, not municipal services. You're right. That's

exactly what the policy decision was by the provincial government. But it was never contemplated by the provincial government at that point that we were going to transfer over the majority of services that were then and are now provided by the province.

Ambulance services: Nobody would have thought in the 1980s we'd be transferring ambulances over to the municipalities. Daycare: Never did we think we were going to transfer that over to the municipalities. Public health, social housing, homes for the aged: Those were not things that we were planning on transferring over to the municipalities.

When we had that debate, it was to protect those services. That's what it was all about. I remember the debates. I remember watching them well. People were saying, "I call an ambulance and I can't speak English and I can't get the ambulance attendant or the person answering the phone at the other end to understand what I'm trying to say." The government put in that statute in order to protect francophones when it came to the ability to interact with the government with those provincial services. Your government is deciding later that you're going to transfer over services to the municipality that used to be provincial services. I'm sorry; that doesn't go with me.

To the parliamentary assistant to northern development and mines, I want to say - and I've got to say again, this debate should be in French. But for the record, I'm going to make these comments and decide what I do after that. You want to prescribe to other acts is the intent of this legislation, Bill 12. You want to make sure this bill is in compliance with other provincial acts. If that's the case, let's make it compliant with Bill 8. Bill 8 is a provincial statute. We all want to be compliant with our provincial policies. Make it consistent and prescribe it according to Bill 8. Basically that was your argument, that you wanted to make it prescribe. I say make it prescribe to Bill 8.

I ask the parliamentary assistants to respond and hopefully change their minds and to make sure we're going to adopt this amendment, because this is not a question of extending services; this is a question of keeping what we've got.

Mr Spina: I appreciate your argument. I have to I guess reiterate and perhaps clarify that the objection is not based on whether or not the language rights are entitled. Rather, it's a technical one. If we entered, for example, into an ASB area, district - we create a board under application and proposal - and there was a particular area that may not have been covered by the zones under Bill 8, then by prescribing it here in Bill 12, the concern we have from a technical point of view is that this could require perhaps a dozen other acts to be entirely amended in order to conform so that all of the acts are consistent with each other.

By allowing the flexibility to be here in Bill 12 at the minister's order, we feel there's no question that it can be and should be compliant with Bill 8, Bill 108 and the zoning that has already taken place within the province where French language rights are respected and implemented.

That's the only real technical reason for objecting to the clauses. We do not want Bill 12 to begin to prescribe how the services will be delivered where for half a dozen or a dozen other acts.

We just want to ensure compliance as opposed to being prescriptive. This bill is permissive legislation. You know that. If we were creating something like you've described, Bill 108 and the other Who Does What bills with the exchange of services upward and downward from the province to the municipalities. I could understand that argument being made in those cases. Those services are very particular. The fundamental problem is that these services tend to be fairly broad-range, and we want to ensure that it is compliant and not prescriptive. That's the basic underlying disagreement with the motion as it is stated at this point, with all due respect, sir.

The Vice-Chair: You raised the issue a number of times on the question of translation. I have been advised that room 151 is available. Obviously, normally this is done prior to the convening of the committee. I'm also advised that it takes about half an hour to have it set up in order to be able to do this. I do have the authority to call a recess and reconvene then in 30 minutes in room 151.

Mr Bisson: Merci beaucoup, madame la Présidente.

The committee recessed from 1055 to 1131.

The Vice-Chair: I'd like to resume. Just for the information of the committee, if you'll look, the French is two and English is one.

Mr Bisson has moved subsection 41(11). The discussion continues.

M. Bisson : Je veux qu'on soit clair sur ce qu'on fait ici aujourd'hui. Le gouvernement introduit le projet de loi 12. Ce projet de loi va donner à ceux dans les municipalités dans le nord l'habilité de créer des régies régionales qui vont avoir l'habilité de gérer certains services que la province est en train de transférer aux municipalités.

Le problème dans le nord de l'Ontario est qu'on n'a pas de municipalité régionale comme dans le sud, et une fois que la province commence à transférer de gros services comme les ambulances et d'autres services, ça devient bien difficile parce qu'on n'a pas de régie régionale capable d'adopter la responsabilité de gérer ces services.

Premièrement, je veux mettre sur le record que je ne pense pas que ces services-là doivent être transférés au premier lieu. Mais quoi qu'il arrive, en transférant ces services, le gouvernement par le biais de la première partie de la législation dit : «On va donner à cette régie régionale qu'on va créer sous ce projet de loi, le service de la garde d'enfants, sous la section 41(1) ; on va donner aux municipalités locales à travers leur régie, le droit de gérer la loi sur le programme Ontario au travail,» qui est un service provincial présentement protégé sous la Loi 8, Loi sur les services en français - pareil à la garde d'enfants ; «le service de santé publique prévu par la Loi sur la protection et la promotion de la santé, encore un service qui est protégé sous la Loi 8 ; on va transférer le logement social, qui est présentement une régie provinciale couverte sous la Loi 8, qui dit que si un francophone se pointe au bureau du logement social, il a le droit de demander des services en français sous la protection de la Loi 8. On transfère ce service aux municipalités et à la régie qu'on a créée dans ce projet de loi ; on transfère les services d'ambulances terrestres prévus sous la Loi sur les ambulances.»

Encore présentement, si je demeure dans une région désignée parce que cela est un service provincial, j'ai le droit de demander les services en français. On transfère ces services à la régie locale. Les foyers pour les personnes âgées, prévus par la Loi sur les foyers pour personnes âgées et les maisons de repos - encore un service présentement couvert, désigné sous la Loi 8, qui dit que si je suis un francophone aîné, je peux avoir des services en français à mon foyer pour personnes âgées. On transfère cette responsabilité aux municipalités par le biais de cette régie.

Donc il y a six services essentiels qu'on transfère aux municipalités qui sont déjà gérés par la province de l'Ontario pour la plupart, qui sont des services protégés sous la Loi 8.

Deuxièmement, la section 41(2) dit que si les municipalités décident à travers des régies locales, régionales, de gérer d'autres services au-dessus des six qu'on transfère, on a le droit de demander au ministre du Développement du Nord et des Mines de nous donner la responsabilité de gérer les services suivants.

Les services qui favorisent le développement économique. Par exemple à Timmins, il y a ce qu'on appelle Timmins Economic Development Corp. Les régies locales vont peut-être décider qu'elles veulent faire ça dans toutes les municipalités et offrir ce service en commun à travers les régies. Présentement, c'est un service qui n'est pas désigné sous la Loi 8, un des seuls.

Les services des aéroports : Si c'est un aéroport fédéral, on est présentement couvert sous la Loi sur les services en français faisant affaire avec le gouvernement fédéral, et le gouvernement fédéral de M. Chrétien est déjà en train de transférer les aéroports fédéraux aux municipalités. Ce qui va arriver avec nos services en français est un autre débat pour la Chambre des communes. Mais quant à nous, la province, la plupart des aéroports des villes comme Kirkland Lake, Hearst, Kapuskasing et d'autres communautés sont des aéroports provinciaux, et un aéroport provincial doit offrir des services en français. Si je suis un passager sur une ligne aérienne, si je vais embarquer sur Bearskin Airlines ou

Commercial Aviation ou n'importe laquelle de ces compagnies-là, j'ai le droit, quand je me pointe à l'aéroport, de demander des services en français parce que c'est protégé sous la Loi 8.

Troisièmement, on dit l'aménagement relatif à l'utilisation sous l'aménagement du territoire - ça, c'est les «planning boards» - est un autre service qu'on peut transférer.

Important, numéro quatre : on peut demander aux municipalités à travers notre régie régionale que la province nous transfère les fonctions administratives et la poursuite prévue aux terres de la personne sous la Loi sur les infractions provinciales. On a eu ce débat et on a donné sous la Loi 108, justement l'hiver passé, l'habilité aux municipalités d'aller rechercher les responsabilités de gérer les infractions provinciales à la municipalité - aux services des municipalités. On dit dans ce projet de loi qu'on va donner ce droit à la régie régionale qu'on va créer sous la loi 12, et présentement si c'est un service qui est provincial, c'est un service premièrement qui est désigné sous la Loi 8, donc j'ai le droit de demander des services en français à ma cour provinciale. Justement, les municipalités qui ont choisi de prendre les services à travers la Loi 108 du printemps passé ont le droit, grâce à un amendement qui a été mis en place, d'avoir une protection minime de nos services en français si les municipalités prennent la responsabilité de gérer les infractions provinciales. On a déjà fait le précédent dans cette assemblée : demander la législation d'allouer un amendement qui aurait protégé d'une manière minime du moins les services. Ma position est que dans la Loi 108, l'amendement qu'on a adopté ne protège pas directement de manière concrète les services en français, mais nous donne du moins l'habilité d'aller à la cour pour nous assurer devant un juge provincial que nos droits ont été violés, ayant été jugés devant un tribunal municipal qui était seulement fait en anglais. Il faut du moins cette protection aux francophones quand on transfère.

La gestion des déchets et les services policiers prévus par la Loi sur les services policiers : encore, si on demeure dans une municipalité couverte sous la Loi 8 et que la police provinciale offre des services, elle doit offrir des services en français sous la Loi 8. Il n'y a pas de «peut-être, on pense qu'on va le faire» ; c'est une obligation législative sous la Loi sur les services en français.

La capacité, des moyens d'intervenir dans des cas d'urgence dans le cadre de la Loi sur les mesures d'urgence, n'est pas présentement couverte sous la Loi 8, et ça, on comprend. C'est peut-être quelque chose qui doit l'être, et autres : routes et ponts, infrastructures et cetera.

Je viens juste de faire une liste, qui n'est pas mal énorme, des services qui sont provinciaux et qui sont payés et gérés par la province de l'Ontario, et c'est des services qui sont protégés sous la Loi 8. Si je suis francophone ou anglophone ou francophile et que je me pointe vers un bureau d'un de ces services-là, présentement j'ai le droit, une fois que je m'en vais au bureau, de dire, «Moi, Gilles Bisson, je veux être servi en français.» Ils doivent le faire sous la Loi 8. On a fait cette loi en 1986. Dans le temps, les trois partis ont été d'accord - le parti de M. Harris, le parti de M. Rae et le gouvernement de M. Peterson - et ils ont fait un projet de loi qui dit : «On est tous d'accord, les partis. On croit que nos francophones doivent avoir leurs services offerts en français et on a mis en place, à l'unanimité de la Chambre, un projet de loi qui dit que si un francophone se pointe pour des services provinciales dans une région désignée, on va lui offrir des services en français.» Jamais on n'a pensé pour deux secondes en 1980 qu'on était pour transférer tous ses services-là, qu'on avait protégés sous la Loi 8, aux municipalités. On n'a jamais attendu à ce qu'on était prêt à prendre cette position. Donc le gouvernement a établi la loi pour couvrir les services provinciaux, oui, mais jamais avec l'intention que tous ses services-là pourraient être transférés aux municipalités.

1140

Là, le gouvernement par le biais de la Loi 12 a dit, «On va transférer tous ces services provinciaux aux municipalités, on vous les donne, les six essentiels dans la législation, les six qu'on a nommés, et les huit autres qu'on a nommés au-dessus de la deuxième section de la loi, si les municipalités veulent les avoir. Le gouvernement par la porte en arrière est en train de nous ôter nos droits sous la Loi 8. C'est pour cette raison que le parti NPD emmène cet amendement qui dit très simplement que, quand vous transférez les services de la province aux municipalités, dans la régie locale, la régie régionale qu'on crée sous ce projet de loi, on demande que les services soient protégés pour les francophones. On demande que, si un francophone se pointe vers l'aéroport de Kirkland Lake, ou s'il s'en va se pointer vers la ville de Timmins

pour demander des services du système de logement, ou vers n'importe quel autre service provincial qui est transféré, comme les ambulances, nous, les francophones, on va encore avoir notre droit garantie sous la Loi 8.

Le gouvernement à ce point-ci a parlé sur le projet de loi et a dit : «Non, on ne va pas supporter l'amendement du NPD, que l'assignation qui a été mise en avant par l'assistant parlementaire aux Affaires civiles et aussi aux Affaires du développement du Nord et des Mines, nous disent-ils, on ne veut pas le faire parce qu'on pense que ça va devenir un peu compliqué.» C'est la manière dont vous l'avez expliqué, monsieur l'assistant parlementaire. On va le laisser s'exprimer lui-même, mais la manière dont j'ai appris ça : si on transfère les services à travers la province aux municipalités, on veut s'assurer que ce projet de loi respecte toutes les autres lois provinciales et que toutes les autres lois provinciales soient respectées sous la Loi 12. C'est pour cette raison qu'il ne voulait pas supporter mon amendement. Je veux vous rappeler que la Loi 8 est une loi provinciale, et si on va respecter toutes les lois, pourquoi exclurait-on la Loi 8, la Loi sur les services en français ? Donc, je ne pense pas que cette assignation-là tienne debout.

Le deuxième point que l'assistant parlementaire a fait, avec tout respect est : «Mais l'autre point est que ça devient compliqué. Une fois qu'on transfère les services aux municipalités» - je veux que vous clarifiez ce point, ce que vous avez dit toute à l'heure, qu'une fois qu'on transfère les services aux municipalités et si on accepte l'amendement de l'NPD, de protéger les droits aux francophones comme dans la Loi 8, ça va devenir pas mal difficile de décider comment traiter certaines régions. J'utilise comme exemple que si on a une partie de la géographie qui a présentement une protection sous la Loi 8 - on va dire que c'est un carré - et qu'on transfère des services à la régie régionale qui devient plus grande là où c'est déjà protégé sous la Loi 8, comment est-ce qu'on va s'adapter pour être capables de dire qu'on donne tous les services en français pour ceux qui sont dehors où c'était protégé sous la Loi 8.

Je dis à l'assistant parlementaire que je pense que ça peut s'arranger très simplement. On dit, soit on prendra une décision au comité et à travers l'assemblée qu'on va s'assurer que tous les francophones ont droit à ces services dans les régies, soit la majorité des citoyens sont couverts sous la Loi 8 et on étend ces services-là pour toutes les personnes dans la régie, soit on exclut ceux en dehors de la région de la Loi 8. Il y a un couple de manières de faire l'approche, et j'aimerais demander premièrement, avant que je voi l'assistant parlementaire, au conseil législatif la question suivante. Si j'ai bien compris l'assistant parlementaire, il nous dit qu'une fois qu'on transfère les services aux municipalités à travers les régies, et que la régie est plus grande que la superficie d'où on trouve les protections sous la Loi 8, en d'autres mots une région désignée sous la Loi 8, et la régie est plus grande, qu'est-ce qu'on fait avec ceux qui tombent en dehors des régions désignées par la Loi 8 ? J'aimerais avoir peut-être l'opinion du conseil législatif : est-ce que c'est une préoccupation, et si oui, comment est-ce qu'on peut arriver à clarifier ce point ?

M. Christopher Wernham : Je pense qu'on pourrait demander au conseiller juridique du ministère de répondre à votre question à travers la présidente, parce que moi, je suis nullement spécialiste des questions de politique dans ce domaine. Je suis simplement ici pour aider le comité à éclairer des questions de rédaction législative, la clarté des mots, par exemple.

M. Bisson : Avec tout respect au conseil du ministère, la même question.

The Vice-Chair: Mr Ritchie.

Mr John Ritchie: My French is not good enough. I'm afraid I will have to speak in English.

The policy of the government as I understand it is to proceed on a program-by-program basis in a situation of local services realignment. In these instances you're talking about, with complicated boundary changes and so on, the minister would be in a position to take a look at each program to ensure that the French-language services were continued by identifying the areas where they are provided and where they should be continued. Then the minister would be able through the order to require that. That's what I understood Mr Spina to say in answer to your question.

M. Bisson : Je comprends qu'un ministre fait partie du problème. Premièrement, vous êtes en train de

transférer aux municipalités six services essentiels qui sont établis dans la loi sous 41, donc ce n'est pas programme par programme. Dans ce cas-ci c'est six services qui sont transférés si vous regardez dans le projet de loi 12. Ce sont les services de garde d'enfants, Ontario au travail, protection du système de santé publique, logement, ambulanciers, et les foyers pour aînés. Ça fait six services qu'on transfère, donc ce n'est pas programme par programme. Vous êtes déjà en train de les transférer aux municipalités, puis ils vont avoir besoin de cette législation pour les gérer dans une régie régionale, donc ce n'est pas programme par programme. Vous avez clairement dit qu'il y a six programmes qui y vont, donc, ça c'est la première affaire.

Le point au conseil du ministère du Développement du Nord et des Mines, avec respect: on ne veut pas être dans une situation où on a besoin d'attendre, nous les francophones, pour avoir nos droits protégés par un ordre du ministre. C'est pour cette raison-là qu'on a établi la Loi 8. On a dit qu'on allait avoir la Loi 8, qui est très claire. N'importe quel ministre de n'importe quel gouvernement, pas de différence dans les couleurs, on a une protection législative. On ne veut pas être dans une situation où le ministre M. Hodgson ou le ministre M. Bisson ou le ministre M. Bert Johnson décide lui-même, programme par programme, quand il approuve les plans qui sont établis sous le projet de loi 12, quels services vont être établis et donnés aux francophones. C'est contre l'entente de la Loi 8, et je demande encore soit à l'assistant parlementaire ou à son conseil législatif, pour quelle raison voulez-vous aller de cette manière ? Nous, on voit ça comme une perte des droits linguistiques qu'on a. On ne voit pas ça comme avancer, c'est un recul.

The Vice-Chair: I have Mr Rollins next.

Mr E.J. Douglas Rollins (Quinte): I request a recess so we can go into the House.

The Vice-Chair: I would normally wait for the bell.

Mr Rollins: There won't be a bell but there's going to be a vote. I request a recess. I think that has to be dealt with.

The Vice-Chair: If you wish to have a recess, we can do that.

M. Bisson : On revient à 3 h 30 ?

The Vice-Chair: We will be back at 3:30.

The committee recessed from 1149 to 1533 and resumed in room 151.

The Chair: I'd like to call the meeting back to order. I appreciate the members recognize it's late in the day, if we could work closely.

I now turn your attention to section 10, the NDP amendment to subsection 41(11). It's the French language rights. I need a mover for the motion. Oh, it's been moved. Pardon me. It's been moved and it's in debate now. The Chair recognizes M. Bisson.

M. Bisson : Avant notre départ ce matin, on était en plein milieu de la discussion de, pourquoi c'était nécessaire que notre amendement soit adopté. Comme on le sait présentement, on a dans la province la Loi 8, Loi sur les services en français, qui était établie dans les années 80 avec l'approbation des trois partis politiques ici en Ontario. C'était unanime. Ce droit, c'est très simple, veut dire que n'importe quel francophone, ou francophile ou quelqu'un qui demeure en Ontario et qui demande des services en français dans une région désignée, va les avoir. En d'autres mots, si on demeure à Timmins ou à Kapuskasing, où c'est désigné francophone sous la Loi 8, on peut demander des services ambulanciers et d'autres services provinciaux en français.

Le problème c'est que, avec le projet de loi 12, on transfère ces services, qui étaient des services provinciaux, aux municipalités, et que cela tombe en dehors de la Loi 8. Une fois qu'on sort un service de la province et qu'on le donne à une municipalité, la Loi 8 n'applique plus. Donc, on fait un amendement très simple qui dit : une fois qu'on transfère ces services provinciaux, dont on a parlé ce

matin, aux municipalités, la Loi 8 doit venir avec. On a un amendement à ce point-ci qui le demande.

Le gouvernement m'a répondu que non, le gouvernement n'était pas d'accord avec cet amendement, que le gouvernement ne voulait pas parce qu'il y trouvait un couple de problèmes. On est rendu au point où j'ai des questions spécifiques sur les problèmes à poser à l'assistant parlementaire.

L'un des problèmes que vous avez annoncés quand on parlait ce matin, c'était que vous trouvez que ça va devenir compliqué. Une fois qu'on aura transféré les services de la province aux municipalités, à une régie régionale qui va desservir la population dans de différentes municipalités avec un service qui était provincial, ça devient difficile. L'exemple que l'assistant parlementaire a utilisé est : «Qu'est-ce qu'on fait si une région désignée sous la Loi 8, pour prendre un exemple, dans une certaine région géographique» - il sera peut-être plus facile d'expliquer.

Supposons que, pour les membres, cette région-ci sous la section 20 des services en français est désignée sous la Loi 8, ce qui veut dire que n'importe quelle personne qui reste dans la région numéro 20 a, sous la Loi 8, les services en français. Le point que faisait l'assistant parlementaire, c'est que si on a une nouvelle régie qui est créée qui est plus grande que la région numéro 20, comment est-ce que la loi pourra d'une manière adéquate répondre à ce qui arrive aux municipalités qui restent en dehors des régions déjà désignées sous la Loi 8 ? C'est le point qu'a fait l'assistant parlementaire.

Je veux demander un couple de questions bien simples et spécifiques. Est-ce que, premièrement, vous avez un problème avec le fait que les francophones reçoivent ces services en français ? Y a-t-il un problème philosophique ou idéologique de la part de votre gouvernement que les francophones ont accès à ces services ?

The Chair: The question has been directed to the parliamentary assistant.

Mr Spina: With respect to Bill 8, I have no problem with francophones receiving the services under the context of Bill 8 and other acts.

M. Bisson : C'est la réponse à laquelle je m'attendais. Je sais que le gouvernement conservateur en opposition dans les années 80 ont voté pour la Loi 8. Je pense qu'il est logique que le gouvernement conservateur va être consistant avec la position qu'ils ont prise en opposition en 1986, en votant pour la Loi 8. Donc, ce n'est pas ça, la raison. Il faut savoir ce qui est le problème si on veut l'arranger.

La prochaine question que je demande à l'assistant parlementaire, c'est que si vous n'avez pas de problème avec le fait que les francophones ont des services en français sous la Loi 8 sur les services provinciaux, êtes-vous opposé à ce concept, que les francophones reçoivent ces mêmes services en français une fois transférés aux municipalités, idéologiquement ou philosophiquement ?

Mr Spina: No, I have no problem with that concept. In fact, with respect to that, I want to draw to the member's attention a couple of phrases in the bill that we feel would cover this. Do you want to get to that now or would you like me to discuss that afterwards?

M. Bisson : Oui, mais excusez-moi. Je n'ai pas tout compris.

1540

Mr Spina: OK. If you go to - I understood him, thank you, translator.

M. Bisson : Je sais que M. Spina comprend assez bien le français, avec respect. On s'est déjà parlé.

Mr Spina: If we refer to section 38(1)(j), which is on page 6 of Bill 12, it says that the bill will "(j) provide for such other matters as the minister considers appropriate to facilitate the consolidation of service delivery and ensure ongoing service delivery in the board area."

Then below, in the next section:

"(2) Despite any other provision of this part, an order,

"(a) shall not derogate from standards for the provision of services imposed under any act."

I interpret that as complying with Bill 8 and any other act that is in a position to deliver francophone services where they have been and where they are warranted under the context of the existing act.

M. Bisson : OK. Si votre interprétation de la section 38(2)(a) est, comme vous le dites, en ce qui concerne les transferts aux municipalités, que ces services doivent être en mesure de toutes les autres lois provinciales - je ne suis pas d'accord que cela veut dire exactement ça, mais si on accepte votre interprétation, pourquoi n'accepteriez-vous pas un amendement qui le met au clair, qu'une fois que l'on transfère les services, ils resteront désignés sous la Loi 8 ?

Mr Spina: The difficulty we have with the amendment is what I explained to you earlier today and previously: that it is very broad in nature, and the structure of your amendment, if it were adopted into this bill, could mean that we run in contravention of some of the other acts in other ways. Where services are not specified in other acts, then we would be imposing the delivery of the services under this act.

In your comments this morning you indicated, monsieur Bisson, that you felt that not adopting this amendment would take rights away from francophones where they are currently being made available. I think that your lobby, shall we say, or your request in your comment about perhaps legislation - all kinds of legislation, Bill 8 and other - that ensures francophone rights doesn't go far enough. Whether I agree with you or not is irrelevant.

The important fact is that I think you're asking Bill 12 to go beyond its mandate, its context. If you wanted francophone services to be ensured in a greater manner, you should be looking to change other pieces of legislation. The concern is that putting this into Bill 12 compromises a whole lot of other pieces of legislation that we would have to make. In other words, Bill 12 would end up probably being an omnibus bill of some sort and we would have to list almost anything and everything that would be impacted by this. I think that's beyond the scope and the intent of this bill.

M. Bisson : Je ne suis pas d'accord avec cette interprétation. Vous dites que la raison pourquoi vous n'acceptez pas notre amendement est que la Loi 8 s'étend aux services une fois transférés aux régies régionales qu'on va créer, que ça va nous mettre en contravention avec d'autres lois. Je me demande, et je vous pose la question : quelle autre loi va-t-on contrevenir en s'assurant que les francophones sont protégés sous la Loi 8 ?

Mr Spina: Monsieur Bisson, this morning you listed a number of services that would be coming out of ASBs, whether they are mandatory or optional. In some of the acts, where the services are currently being delivered by the province, they're assured francophone services under the zoning structure of Bill 8. Is that correct?

Mr Bisson: Yep.

Mr Spina: OK. Was that English or French?

Mr Bisson: The "yep" was English. Autrement ça aurait été oui.

Mr Spina: I thought it was my -

M. Bisson: Les traductions, des fois c'est un peu mélangé, hein ? Yep : oui. C'est un anglicisme.

Mr Spina: Thank you. Merci. In any case, where the services are currently being delivered by the province, the minister has given the assurance that it is his intention to provide the continuation of bilingual services, in appropriate instances, through the order establishing the area services board. Where services are already under the responsibility of the municipality in terms of administration, even though they may be funded - things like the social services, for example, where they're administered by the

municipality but they're 80% funded by the province - there wasn't the obligation, shall we say, under Bill 8 to deliver services on a bilingual basis if I understand it correctly.

In that regard it may not change, and I'm not sure if I'm picking the right service here, but where the responsibility was municipal before and it now comes under the responsibility of the ASB, this is where the problem could arise that we are now imposing that bilingual service, whether it's justified or not, to that municipal government. That is the reason why it has been stated by the minister that it is his intention, and I can quote from the assurance we've been given, to provide for the continuation of bilingual services in the appropriate instances through the order that would establish the area services board. I also refer back to the compliance and "no derogation" clause that I quoted to you earlier.

Mr Blain K. Morin (Nickel Belt): This is the concern I have in this issue, especially just coming out of a by-election in a very francophone community. In participating in debate in the town of Chelmsford and listening to the community, it's the assurance that we're after. My friend M. Bisson's Bill 17 as well as his amendment are exactly what the constituents of Nickel Belt and francophone communities are looking at. They're looking at that guarantee of French services, francophone services, being there, especially when we're looking at some things - for example, ambulance services, social housing, social services - being downloaded.

If I am correct in hearing you, you're telling me, and when I read the amendment, that there's a doubt. In your answer to Mr Bisson there seemed to be a doubt that those francophone services would be continued. I believe what you're saying is that they may not be continued, or it's your interpretation. What we need for francophone communities is the guarantee that those francophone services are going to be there. That'd why we need Mr Bisson's amendment to that.

When you start looking in areas in the Nickel Belt riding, when you start looking in Chapleau, for example, we have a vast community in Chapleau in the area of Planer Road where the only language is French. The services can't be downloaded on to a municipality to make that choice, and that's what I'm hearing you say. Maybe you can clarify that for me, because there may be a problem with the interpretation device in English, but I'm not sure. Maybe I can get clarification on the statement in answer to Mr Bisson's last question. There seemed to be some uncertainty in the way it was presented.

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Mr Spina: Monsieur Morin, I can assure you that it was in the minister's statement that it is his intention to provide for the continuation, and I stress that word, "continuation," of bilingual services in appropriate instances through the order establishing each area services board, when and if that area services board is in fact established.

Mr Blain Morin: So what is, if I may -

Mr Spina: Yes, sure.

Mr Blain Morin: Being a rookie, I apologize in advance if I'm not following parliamentary procedure.

The Chair: No apologies necessary.

Mr Bisson: It never stopped me before.

Mr Blain Morin: You have to be careful with those things.

Could you tell me what "appropriate instances" would be? That seems to be an ambiguous statement. What's an "appropriate instance"?

Mr Spina: Under the context, in terms of Bill 8, there are zones in this province that are designated bilingual. Where the population warrants the bilingual services, it is their right to receive services in French.

Mr Blain Morin: Who makes the determination? The minister?

Mr Spina: It's based on Bill 8 and the minister.

M. Bisson : Écoutez, j'ai un très gros problème avec ce que vous dites, monsieur l'assistant parlementaire. Ce que vous essayez de dire quand on vous écoute nous rassure. On a l'impression quand vous parlez - je sais que vous êtes sincère. Je ne veux pas dire que vous n'êtes pas sincère, parce que je vous connais. Vous êtes un homme honorable. Mais je sais, et vous savez et nous savons tous ici à l'Assemblée législative, que le problème est que la Loi 8 sur les services en français ne s'applique pas aux services municipaux. C'est là le problème.

Je veux revenir au point. Si on regarde les instances du projet de loi, et vous avez attiré notre attention sur la section 38(1)(j), premièrement vous avez dit que cela dit que, quand ça vient au pouvoir du ministre, «Lorsqu'il reçoit une proposition qui satisfait aux exigences de l'article 37, le ministre peut» - et là on a toutes ces instances-là et on arrive à (j) - «prévoir les autres questions qu'il estime appropriées pour faciliter le regroupement des services fournis et assurer la prestation continue des services dans le territoire de la régie.» Le mot clé, monsieur l'assistant parlementaire, c'est qu'on parle de prévoir les autres questions que lui estime appropriées.

Ce n'est pas une exigence sous la loi. C'est seulement dire que le ou la ministre, lui ou elle, a le pouvoir de déterminer qu'est-ce qui est approprié. C'est le premier problème. Je veux l'éclaircir. Cette section du projet de loi dit qu'on donne un pouvoir au ministre pour que le ou la ministre puisse dire : «Oui, je pense que certaines prévisions doivent être faites pour une régie de services régionaux dans cette application et je vais déterminer ce que c'est.» Ce n'est pas prescrit dans la loi. C'est seulement donner au ministre un pouvoir.

Deuxièmement, quand on regarde 38(2), on lit :

«(2) Malgré toute autre disposition de la présente partie, l'arrêté :

«(a) ne porte pas atteinte aux normes de prestation des services imposées aux termes de toute loi ;»

On parle de toute loi. Si la Loi 8 dit que les services provinciaux sont encore protégés une fois qu'on fait le transfert aux municipalités, cette section nous donnera notre protection. Mais le problème est que la Loi 8 ne s'applique pas aux services municipaux. On dit dans (2)(a) que le ministre, une fois ayant mis un ordre, un plan en place qui crée une régie locale, il va suivre toutes les autres lois provinciales pour s'assurer que les municipalités suivent tous les autres ordres provinciaux. Mais le problème est que ce n'est pas un service provincial qu'on a ; c'est un service municipal. Ça veut dire que la Loi 8 n'applique pas. C'est pour ça que nous, on dit qu'on a besoin de l'amendement.

Je crois, je veux croire, parce que je ne viens pas ici pour m'assigner avec vous - il faut mettre sur le record, et je veux le dire, que vous avez été, comme gouvernement sur ce projet de loi, corrects. Vous avez fait une consultation au comité législatif. Vous avez permis au monde dans le nord de la province de venir nous parler. On a pris les recommandations de la part de la population qui est venue nous donner des idées - pas toutes les idées - comment améliorer la loi, et le gouvernement, avec «crédit», a fait des amendements majeurs sur la législation, et on respecte, on dit «Bravo !». Vous avez fait une bonne job. Donc, ce n'est pas une question de vouloir vous taper sur la tête pour la politique ici.

Si on dit que le gouvernement et l'opposition travaillent ensemble sur ce projet de loi parce qu'on s'en va tous dans la même direction, et je sais que votre gouvernement une fois, au troisième parti, à l'opposition en 1986, a supporté la Loi 8, et vous me dites en tant qu'assistant parlementaire au ministre responsable de ce projet de loi que vous croyez que les francophones doivent avoir des garanties législatives, excusez-moi. Il n'est pas là-dedans. Il n'est pas dans le projet de loi. C'est pour ça qu'on a besoin de l'amendement.

Je vous demande directement, faisant affaire avec ces sections-là, les questions suivantes. Quand on lit l'article (j), que le ministre prévoit «les autres questions qu'il estime appropriées», êtes-vous d'accord avec moi quoi ça fait ? C'est donner la capacité au ministre de prendre des décisions sur le plan.

The Chair: Parliamentary assistant, if you'd like to respond, and then the Chair would like to recognize Ms Munro.

M. Bisson : OK, puis je vais revenir avec d'autres questions. Si tu peux répondre à la première question ?

Mr Spina: Yes. Oui.

M. Bisson : Donc la réponse est oui, que ça donne le pouvoir au ministre d'ajuster le plan. Je vais avoir d'autres questions quand ça revient à mon tour. Veux-tu continuer ?

The Chair: Ms Munro, did you have a response, question within the context of what we're discussing?

Mrs Julia Munro (Durham-York): Yes, I'd like to think it is within the context of what we're discussing.

I wanted to come back to subsection 38(2). To me, the critical issue here is when the reference is made in 2(a): "shall not derogate from standards for the provision of services imposed under any act." We've heard clearly the responsibility of the minister in Bill 12 in relation to other acts.

While I understand the position taken by Mr Bisson about it being a municipal activity, that fear that things might come to be a municipal activity I think is one that goes against the principle of the bill itself in the fact that each of these activities is in fact a provincial activity; that is, in terms of legislation. When communities make the decision to apply for an ASB, they are doing so under the aegis of all of these pieces of legislation.

It seems to me, then, that this section gives them that responsibility. Just as they must perform all the other functions under certain legislative requirements and mandates, so they must also deal with Bill 8.

The Chair: Monsieur Bisson, do you have a further comment on this section?

M. Bisson : Ce n'est pas vraiment un commentaire. On est dans les questions.

Pour continuer sur la section, (j), on va revenir au point qu'a fait M^{me} Munro. Je veux continuer le point parce que je pense que ça va clarifier où je m'en vais. Si on est d'accord, monsieur l'assistant parlementaire, que l'article (j) donne au ministre un pouvoir pour faciliter le regroupement de services, est-ce que j'ai raison de croire que cet article (j) ne donne pas une obligation au ministre ?

Mr Spina: I would interpret that as a fair comment, yes.

M. Bisson : En d'autres mots, on est clair que (j) donne le pouvoir au ministre ; (j) ne donne pas d'obligation. C'est très important. Si on s'en allait à la deuxième partie, puis je pense que ça va peut-être clarifier le point que M^{me} Munro - je ne sais pas quel est votre comté, madame, excusez-moi - a soulevé, je veux croire que vous êtes sincère, vraiment. Le problème est qu'on sait qu'une fois que ces services-là seront transférés de la province aux municipalités, ce ne seront plus des services provinciaux. Ils sont mandatés par les lois provinciales qui doivent rencontrer certaines normes quand ça vient à ce service. On va prendre n'importe le quel de ces services ; on va dire les services d'ambulances.

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On transfère aux municipalités une responsabilité provinciale gérée par la province. La Loi 8 est écrite d'une manière qui dit qu'un service géré par la province et donné par le gouvernement provincial dans une région désignée doit être offert en français. Le problème, c'est qu'une fois qu'on transfère le service à une municipalité, il n'est plus géré par la province, il est géré par la municipalité, et la Loi 8 ne s'applique pas aux services municipaux.

La question que je demande à l'assistant parlementaire est très simple et ça vient, je pense, au point de tout le débat : est-ce qu'une municipalité aujourd'hui en Ontario a la responsabilité de donner des services municipaux en français s'il s'agit d'une région désignée sous la Loi 8 ?

Mr Spina: I want to go back to a comment you made earlier when you asked me, is the minister obligated to follow the rules of clause (j)?

M. Bisson : Il est obligé de suivre les règlements, oui. Je comprends ce que vous dites. Je dis que sous la section (j), ce n'est pas une obligation qu'on donne au ministre ; on dit que c'est un pouvoir qu'on donne au ministre. C'est ça le point que j'ai fait. Mais continuez.

Mr Spina: What I understood from your question was, do these clauses obligate the minister, and my answer to that was yes. I took from your response that you didn't agree with that.

Mr Bisson: No.

Mr Spina: OK.

M. Bisson : On peut revenir sur ce point-là, la question, dans une seconde, mais je veux que vous répondiez à l'autre question que je vous ai posée. Est-ce qu'une municipalité qui est dans une région désignée a présentement une obligation d'offrir des services en français, les services municipaux ?

Mr Spina: Under Bill 8, of course, no, the municipalities are not obligated.

M. Bisson : Exactement.

Mr Spina: What we are saying is that the minister is bound under no derogation, so that if there are francophone services currently being offered under a provincial service that is being delivered and we don't want to derogate from the existing act, it would seem to me that the minister would and should have the power to say, "We must continue these francophone services in the downloading, in the shift of these services from the provincial government to the area services board" if and when it is created.

M. Bisson : Il doit l'avoir, oui, mais il ne l'a pas. C'est ça le problème.

Je veux revenir au point. Vous avez répondu oui à la dernière question, qui est, si une municipalité qui offre des services qui sont en base des services municipaux n'accepte pas la responsabilité d'offrir des services en français sous la Loi 8 parce que ce sont des services municipaux - et vous êtes d'accord avec ce point. Vous avez répondu que oui. On regarde ce qu'on fait dans ce projet de loi. On transfère aux municipalités des services qui étaient gérés par la province et on dit ; «Tiens, les municipalités, c'est à vous autres. La balle est passée. Allez gérer votre système d'ambulances, allez gérer le système de santé publique, allez gérer, vous autres, le système de logement qu'on appelle Ontario Housing. Allez gérer le bien-être social sous Ontario au travail. Allez gérer ces services-là. C'étaient des services provinciaux protégés sous la Loi 8 d'antan et ils sont maintenant des services municipaux ; ils ne sont plus provinciaux.»

Je pose la question très clairement pour le record : il n'y a pas une obligation dans la loi qui va exiger à une municipalité d'offrir ces services en français s'ils ne choisissent pas de le faire, oui ou non ?

Mr Spina: There is no obligation on the part of the municipality under the strict rules of Bill 8.

M. Bisson : Oui.

Mr Spina: No argument with you on that. However, what we are seeking to achieve here is that the continuation of services to the existing standard or better is continued once the services are transferred from the provincial responsibility to the area services board. That is what we are seeking to achieve.

If you wanted us to impose, and I say that with all respect, the French-language services with all the other services to the individual municipalities, then that is beyond the scope of this bill. It's beyond the

objective of this bill, as Ms Munro indicated, because to achieve the goal that you are seeking, I believe - and this is not an argument with you on whether it should be or not - is more properly debated and should be included with respect to Bill 8, or perhaps on an individual basis for specific services, whether it was court or social services, police or emergency preparedness.

Mrs Munro: I want to come back to a point you made when you asked Mr Spina about the jurisdiction of Bill 8 over municipal services. I understand the point you were making in relation to the responsibility for francophone services, but I don't think that is the issue here in that what we're saying, and what has been said clearly throughout this piece of legislation, is the opportunity for communities to deliver provincial services. Very clearly, they are bound to maintain the standards of those provincial services. They are legally bound to follow those acts which legislate those particular activities. So, as comes up in here in section 2, they are bound then to follow in the same way that those services would be maintained by Bill 8.

I understand your point about, "Where are municipal services today and how are they delivered?" but that isn't the issue in this bill. These services are to be maintained at a provincial standard, and that's clear in my mind with this whole notion of the derogation.

The Chair: Monsieur Bisson, and then the Chair would recognize after that - M. Marchi, you wanted to speak as well?

Mr Mario Sergio (Yorkview): Sergio. You're not the only one.

M. Bisson: J'étais pour dire quelque chose mais je ne vais pas le dire. On va dire ça en privé plus tard.

Non, vous n'avez pas raison. Voici le problème. On va prendre un service, par exemple. On va prendre un des services sous la section 41(1), les foyers pour les personnes âgées prévus par la Loi sur les foyers pour personnes âgées et les maisons de repos.

Votre réponse est à moitié correcte : il y a un acte provincial qui établit des normes quand ça vient aux services et comment on gère nos foyers pour les aînés, pas de question. Mais nulle part dans cette loi est-ce qu'on dit que les services doivent être offerts en français. Il n'y a rien dans la loi qui établit les normes et les règlements, qui établit les services et les places dans les maisons pour les âgées, qui dit, "And by the way, you will offer services in French." Cette loi ne le dit pas du tout. C'est la Loi 8 qui le dit.

On va prendre un autre exemple, les services d'ambulances. Le projet de loi qui établit les normes de services quand ça vient aux ambulances dit que la province est responsable pour les services d'ambulances. Il y a des standards qui sont établis. Il y a des politiques provinciales qu'on doit suivre. Il y a certains règlements sous la loi qu'on doit suivre. On transfère ces services aux municipalités, et oui, les municipalités vont être obligées de suivre les normes de la province comme établies dans la Loi sur les ambulances. Oui. Je suis d'accord sur ce point-là. Le problème ? Allez lire la Loi sur les ambulances. Ça ne dit pas, "By the way, you must give services in French." Ça dit : «Tenez les normes, tenez les standards, tenez ce que vous avez besoin de faire. C'est comme ça que vous avez besoin d'organiser vos services ambulanciers.» Mais elle ne dit jamais, nulle part, qu'on doit offrir les services en français.

On regarde le logement social. Encore, par réglementation du cabinet et par la législation, on établit ces services. Oui, les municipalités vont falloir suivre les règlements établis par la province quand ça vient à la loi provinciale sur le logement, mais il y a encore un problème. Allez lire la loi. Elle ne dit pas du tout que vous allez avoir des services en français. Il n'y a rien dans la loi qui dit ça.

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Il n'y a que deux lois dans la province de l'Ontario qui disent qu'on doit donner des services en français. Savez-vous lesquelles ? La première était sous Roy McMurtry, the Courts of Justice Act où aux alentours de 1970 le gouvernement provincial de M. Davis a pris une décision. Ils ont dit que dans les cours - parce que dans le passé, si tu étais un francophone et tu allais à la cour provinciale et qu'on t'a dit, "Excuse me. We don't speak French," tu n'avais pas de choix. Tu avais besoin de faire ton procès en

anglais.

À un point, M. McMurtry, qui était pas mal à l'avant-garde quand ça vient à cette question - je crois que M. McMurtry a pris des pas qui étaient pas mal importants dans la journée, et je lui en donne le crédit - a dit, "On a besoin d'établir dans la loi des standards qui disent que les francophones ont des droits à exiger que le procès soit fait en français." Or, dans cette loi, oui, il y a l'établissement du droit des francophones d'avoir des services en français.

Même là où on a transféré les infractions provinciales sous la Loi 8 aux municipalités, la manière dont vous-autres avez transféré les services, vous avez oublié d'inclure cette provision mise dans la loi par M. McMurtry. C'est là qu'on a eu le débat l'année passée. Nous, les NPD, sous mon nom, avons mis un amendement qui disait qu'on devait suivre les mêmes règlements qui étaient établis dans le Courts of Justice Act. Je ne vais pas rentrer dans le débat, mais éventuellement vous avez fait un amendement qui était pas mal faible, mais vous n'en avez fait qu'un seul quand même.

Le point, madame Munro, est que ce sont les seuls services établis par une loi, la loi sur le système judiciaire, où il y a une provision qui dit qu'on doit donner les services en français. C'est la seule. Il n'y a aucune autre loi provinciale quand ça vient aux services qui dit qu'on doit donner des services en français.

Donc, j'arrive à la deuxième partie de mon assignation. C'est pour ça qu'on a fait la Loi 8. La Loi 8 a été mise en place parce que, en 1986, à travers l'accord de M. Peterson et de M. Rae, on a dit : «Écoute. Ça fait assez longtemps que les francophones sont en arrière du bus. Les francophones ont besoin de prendre leur place en Ontario. Ils ont besoin d'avancer dans la ligne. Ça fait trop longtemps qu'ils se trouvent en arrière quand ça vient aux services.»

On a reconnu en 1986, dans l'accord des MM. Peterson et Rae, et avec l'appui de M. Harris en opposition cette journée-là - M. Villeneuve, le ministre, était là, ainsi que M. Sterling et d'autres de vos ministres d'aujourd'hui. Ils ont dit, «On reconnaît que dans les lois provinciales d'aujourd'hui, quand ça vient à l'établissement des services en santé, en soins de longue durée, aux services policiers, à tout service provincial, à l'exception des services judiciaires, il n'y a aucune provision pour assurer pour les francophones des services en français.» C'est là qu'on a établi la Loi 8, la Loi sur les services en français.

La loi a dit, «Dès ce temps-là, tout service donné par la province, tout service qui est établi par une loi provinciale ou par règlement du cabinet - les services de santé etc - va être établi d'une manière où les francophones dans une région désignée peuvent avoir des services.» C'est pour ça qu'on a fait la Loi 8.

Autrefois, et l'assistant parlementaire a fait le point d'une manière, je pense, un peu plus tôt, il n'y avait que trois manières de donner des services en français : soit on voit à chacune des lois, on ouvre chaque loi dans la province et on y insère un amendement qui dit, «On va donner des services en français» - mais ce n'était pas pratique. Cela aurait été un gros bill omnibus, et on a dit, «On ne veut pas faire ça.»

Le deuxième choix qu'on a eu, c'était d'établir une loi qui dirait, «Sur tout service provincial et tout acte provincial, on donne les services en français,» et c'est la manière dont a voulu le faire.

Ou on aurait besoin d'avoir un amendement à la constitution qui dirait, «L'Ontario est officiellement bilingue.» En 1986, les politiciens du jour n'avaient pas assez de courage pour dire, «Oui, on va prendre la prochaine étape.» C'est quelque chose que je voudrais redresser dans le prochain parlement quand on revient au gouvernement.

Tout ce que je veux faire avec vous-autres, je veux me protéger. Je veux savoir que, quand je me réveille demain matin, les services en français vont être là tels qu'ils étaient hier. C'est tout ce que je veux avoir.

Le point que je fais est que, quand vous et l'assistant parlementaire dites, «La section (j) et la section 2(a) ou la section 2(b) assurent que les services vont être donnés en français», vous n'avez pas raison. Ce n'est pas le cas, parce que les normes provinciales établies dans la loi n'exigent pas que les services soient donnés en français. La loi donne seulement les normes de livraison des services. Le problème, c'est qu'on les transfère aux municipalités et «bang», on sort de la Loi 8.

Je reviens à ma question, qui est très simple : si on passe ce projet de loi sans amendements - et j'aimerais poser la question à votre avocat. C'est correct, monsieur l'assistant parlementaire ? Je ne me rappelle plus son premier nom.

Mr Ritchie: John.

M. Bisson : Si on passe ce projet de loi demain et on ne fait aucun amendement tel que j'ai proposé, dans une ville du nord de l'Ontario - on va en prendre une, pas pour la signaler mais en exemple : Thunder Bay. Ils ont en place une loi d'intérêt privé qui dit : «Nous-autres, on est officiellement unilingues. On ne donne pas de services en français.» Est-ce que votre loi va exiger qu'eux s'assurent que les francophones vont avoir des services en français quand ça vient aux ambulances ?

Mr Ritchie: If the minister's order required them to, then yes, they would be.

M. Bisson : Exactement. C'est le point qu'on fait, mais il n'y a pas d'assurance dans la loi que le ministre a besoin de donner l'ordre. C'est ça le problème, non ?

Je veux être clair : le problème qu'on a, c'est qu'on met toute notre confiance dans le ministre. Vous êtes correct quand vous dites, dans la section, que si le ministre exige que la Loi 8 soit appliquée, il peut l'exiger dans l'ordre. Je suis d'accord avec vous. Le problème est que si le ministre n'exige pas que ce droit-là soit dans l'ordre et la municipalité dit non, il n'y a aucune protection législative pour des services en français. Oui ou non ? L'assistant parlementaire n'y répond pas.

Interjection.

M. Bisson : Bien, écoute.

Mr Ritchie: The whole scheme of the legislation is set up as a framework and an enabling basis and it depends on many, many details in connection with the provision of services and all the rules surrounding it to be set out in the order. This is the way we'd anticipated it and this is one of the things, along with a very large host of others, that we will have to sort out at the time.

I guess our thinking was that it's better to have the proposal in front of us with local people sorting out a lot of details among themselves and the facts of the case being, as best they can, worked out among the people affected and then leave the final decision-making and the final pulling together of it through the minister's order.

That was the approach taken with French-language services and maybe a couple of hundred other things that I suppose could have been set out. If we could anticipate everything from proposals to issues to new legislation, we could have written a 200- or 300-page bill and tried to cover everything into the future, but this took an opposite approach.

Mr Sergio: I have a question of staff as well. If I understood well with my rusty French the points by Mr Bisson, it is that he doesn't want to see the legislation as it is proposed with respect to French services, but rather he wants to see incorporated the rights of the French-language services, if Gilles will listen to me -

M. Bisson : J'écoute. Excuse-moi, monsieur Sergio.

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Mr Sergio: S'il m'écoute, ça me fait plaisir. Je ne suis pas certain que j'ai bien compris votre point de vue regardant ces lois-ci.

Allow me for a second - je vais poser une question en français si je peux expliquer -

M. Bisson : Excellent.

M. Sergio : Votre problème avec le projet de loi ici -

M. Bisson : L'amendement, oui.

M. Sergio : Il n'y a pas de garantie que les services en français soient inclus partout dans la loi et que c'est seulement une proposition.

M. Bisson : Mon amendement dit que si le service est transféré aux municipalités, la Loi 8 va s'appliquer.

M. Sergio : Exactement. Vous voulez quelque chose d'universel.

The Chair: Excuse me, through the Chair, please. I think it's important. If you want to have a chat, you can step outside. Thanks.

M. Sergio : Donc, vous voulez quelque chose d'universel, que les services en français soient procurés partout, y inclus les municipalités.

M. Bisson : Oui. Si la province transfère ce qui est un service provincial, maintenant couvert sous la Loi 8, qui a été transféré à travers le président et transféré aux municipalités, on veut que la Loi 8 s'applique. En d'autres mots les villes de Timmins, de Thunder Bay, de Sudbury, toute la gang, si elles rentrent dans ce projet de loi, seraient obligées de donner les services qui étaient provinciaux et les offrir en français.

Mr Sergio: Just to clarify again for staff here, Mr Chair, I guess the point he's making, and I have it clear, is that he wants to see the laws of French-language services, if the province were to unload those services on to the municipalities, so that the municipalities would have to provide those services in French as well.

The Chair: If I could just make sure, this is a very important -

Mr Spina: Is that included? Could I have an answer from staff, please?

The Chair: Yes, that's what I'm really trying to do, is to contain the debate. We're looking at a very specific interpretation of Mr Bisson's and your question and I think we should rest much on what the legal counsel says. I think it's an important response that may be able to deal with this particular amendment.

Mr Ritchie: If I understood the question correctly, you're asking whether there is a provision in the bill that would require French-language services to continue where they are now being provided by the service provider and there's a transfer of responsibility for the service to the area services board, and we're assuming that French-language services are provided at the present time; would that continue because of some provision in the bill? Is that the question?

Mr Sergio: I think he wants to see guaranteed in the legislation that services in French are provided if and when needed at the local level as well. Will they be provided?

Mr Ritchie: That is the intention, to require the continuation of French-language services, where they are now in existence, through the minister's order.

Mr Sergio: Is that an imposition on the local municipality to provide services in French?

Mr Ritchie: There will be if the order requires it.

The Chair: There is a semantics argument or an argument of interpretation here and I think we've had it described to us, through the Chair's understanding, if there is a service that is in continuity and being offered in French, then it would be downloaded, then my impression of what Mr Ritchie is saying is that the intention is to continue that service on, abrogated by that section Mr Spina referred to. Is that right?

Mr Sergio: Couldn't we eliminate that "if"? I think that "if" is a big stumbling block.

The Chair: Clearly I think that's - the next person in order, if we can't contain this, we'll go back to Mr Bisson and then we'll recognize the member for Nickel Belt.

M. Bisson : Monsieur le Président, je pense que le point que vous avez fait est important. Je demande la question, qui est très simple: on sait que Thunder Bay a passé une résolution locale qui dit, «Nous, on est une municipalité unilingue,» et justement ça fait six mois où le présent maire a essayé de passer une résolution pour renverser cette décision précédente, que la municipalité de Thunder Bay n'est plus considérée comme municipalité unilingue anglaise, et ça n'a pas passé. En d'autres mots aujourd'hui, ce mois, cette journée, la ville de Thunder Bay est encore officiellement déclarée une municipalité unilingue anglaise.

J'écoute les assurances de l'avocat pour le ministère et l'assistant parlementaire qui ont dit que, quand on transfère ces services-là aux municipalités, si le ministre donne la garantie dans la loi - ce n'est pas dans la loi - si le ministre décide dans l'ordre de s'assurer que les services sont donnés en français, les municipalités vont être obligées. Mais, toute la responsabilité est avec le ministre, pas dans la loi. Le ministre peut décider non, de ne pas le faire, ou oui, de le faire.

La question que je vous pose est très simple. Supposons que la ville de Thunder Bay, qui est unilingue anglaise, dit, «Nous, on ne veut pas avoir de services en français ; on décide qu'on ne veut pas les donner pour quelques raison.» Est-ce qu'un ministre peut dire non ? Est-ce qu'un ministre peut dire dans la loi, «OK, on ne va pas donner les services en français» ? Y a-t-il cette habilité dans la loi ?

The Chair: A response, please.

Mr Spina: Mr Bisson, I think we have to keep in mind three basic facts here. First of all, under Bill 8 we have designated zones in the province. Second, if a municipality chooses to do what you describe, declare itself unilaterally unilingual in English, or in French, I am guessing here that if they are in a zoned area, they are contravening the act and cannot do that.

M. Bisson : Non, pas du tout.

Mr Spina: That was my understanding.

M. Bisson : Non, pas du tout. Une municipalité peut se déclarer unilingue anglaise ou française. Ce n'est pas une contravention de la Loi 8 parce que ça ne s'applique pas aux municipalités. La question que je vous demande est très simple, puis c'est là où je veux avoir une réponse : si la ville de Thunder Bay, qui a décidé qu'ils sont unilingues anglais, qu'ils n'ont pas d'obligation sous la Loi 8 présentement, dit au ministre, «Nod, nod, wink, wink, ne nous obligez pas à faire des services en français,» est-ce que le ministre peut dire, «OK, on ne donne pas les services en français à Thunder Bay» ? A-t-il le droit sous la loi, oui ou non ?

The Chair: Mr Spina.

Mr Spina: The clarification would be this: Under the context of the clauses that we have in Bill 12, we rely on the phrase or the clause that says: "Despite any other provision of this part, an order, (a) shall not derogate from standards for the provision of services imposed under any act." If we are dealing with a provincial service that is being transferred to an area services board and the minister sees fit that the continuation of bilingual service will be present under the proposal of the ASB, then my guess is that the municipality will have to abide. However, if you have a previously existing municipal service which was not covered under "bilingual act" -

M. Bisson : Tu ne réponds pas à la question que je t'ai demandée.

Mr Spina: - then I would think that the minister's order cannot suddenly create a bilingual environment where one did not exist on a municipal service. On a provincial service, that is where we can talk about

the derogation of standards that we will not expect to happen because that is covered in the clause, "The minister is obligated not to derogate those standards." Therefore, in my interpretation, if the service provided by the province on a bilingual basis were given to an area services board and it is now the responsibility of the municipality, then if he is going to maintain the standard, it makes sense to me that the bilingual standard should be maintained as well. However, if it was a previous municipal standard, I don't think it's fair that the province now impose a bilingual standard.

M. Bisson : Ce n'est pas ça qu'on demande.

The Chair: Excuse me, through the Chair. I want to recognize the sequence of speakers, because you have had ample time, and I just want to recognize the other contributors: M. Morin and then M. Sergio, please.

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Mr Blain Morin: Perhaps, if I could, I'll ask the parliamentary assistant to explain just that last part to me again. What I'm hearing is that there was an automatic transfer of francophone services on downloaded services. For example, we're bringing land ambulance services down and they were francophone services before; they were provincial services. You bring them down - they were given at one time as francophone services, as bilingual services - and it's not automatic if, as my friend M. Bisson says, you now have a municipality like Thunder Bay that has passed a bylaw saying, "We're English only." When the services are transferred down, what I'm understanding is that the minister is going to have to make an order to continue those services in French if you have a municipality that designates itself as English only. Is that what I'm hearing? And then who applies for the order?

Mr Spina: Let me ask a question. If a service was transferred to an area services board and it was not bilingual where it was before, would that not be a diminution, a reduction in the standard of the delivery of that service?

Mr Blain Morin: But that's not what we're asking for.

Mr Spina: But that's what you are implying, sir.

Mr Blain Morin: No.

Mr Spina: We're saying that there's a certain standard of service that is being provided at this point. I'm suggesting to you, if that service was transferred to an area services board where it was bilingual and it is now being transferred, like land ambulance, and it is no longer a bilingual service, would that not be less than the standard that was there before?

Mr Blain Morin: I'm sorry. I don't -

Mr Bisson: It's a convoluted argument.

Mr Spina: Well, no, hang on. If the land ambulance right now, as you described - I'm taking your example. If a land ambulance service is being delivered now by the province on a bilingual basis, and that is now transferred to an area services board, but it was not transferred on a bilingual basis, English only, would that not be a reduction in the standard of service that was being provided from one to the other?

Mr Blain Morin: Yes, it would.

Mr Spina: Therefore, my conclusion is that in order to be consistent with that standard, you must transfer and continue the bilingual service from the province to the service delivery agent, which in this case would be the ASB.

Mr Sergio: The question from Mr Bisson is, will the minister act and say, even though you have declared yourself unilingual, no, you have to provide the service in French as well?

Mr Spina: If it was there before, you must. Otherwise you compromise the standard of the bill.

The Chair: That's a pretty clear interpretation. Anybody have any further questions on that?

M. Bisson : Je félicite l'assistant parlementaire, qui est en train de gagner son pain aujourd'hui. Il fait une très bonne job pour le ministre. Si je ne connaissais pas la loi, je penserais qu'il sait de quoi il parle. Mais la vérité - je ne veux pas dire la vérité ; ce n'est pas parlementaire. Je veux retirer ce commentaire.

La situation est que les services en français ne sont pas garantis sous la Loi sur les ambulances. Il n'y a rien dans la loi qui gère les ambulances qui dit que tu dois faire les services en français. C'est fait sous la Loi 8.

Vous avez utilisé le scénario d'un service qui est présentement bilingue, les ambulances. On le transfère aux municipalités. Si ça arrive à la municipalité puis on donne le service en anglais seulement, est-ce que c'est moins de service qu'avant ? La réponse est oui. C'est oui. Il va sans dire.

Mais, écoute, ça dit sous cette loi, dans l'article 38(2)(a) : «ne porte pas atteinte aux normes de prestation des services imposées aux termes de toute loi.» Le problème c'est que la Loi 8 ne s'applique pas aux municipalités. Seulement la Loi sur les ambulances s'applique aux municipalités dans ce cas. Ce qui arrive, il n'y a aucune exigence qui existe dans la Loi sur les ambulances qui veut dire que les services en français vont être offerts. Il n'y est pas. C'est dans la Loi 8 ; c'est ça le point.

La question à laquelle je reviens avec vous est, si on lit cette loi, on dit que le ministre a le droit, une fois que l'ordre - toutes les municipalités dans la région de Thunder Bay ont fait une régie régionale pour les services. On s'assied ensemble et on dit, «Nous autres, on est tous d'accord. On va aller rechercher les services sous le paragraphe 41(1), 1 à 6. On va les prendre. On veut les avoir.» On s'en va s'asseoir ; on fait un plan.

Ils écrivent un plan, puis dans leur plan ils ne prennent pas la responsabilité de donner les services en français. Dans leur plan ils disent, «Nous autres, on va les donner, on va les organiser d'une certaine manière, ce que notre géographie va être, ce que notre représentation sur le conseil d'administration va être», mais nulle part dans leur plan disent-ils qu'on va donner les services en français.

La manière dont votre loi est écrite, ça ne devient pas la responsabilité, mais ça devient la décision du ministre de dire, «Moi, est-ce que je vais inclure les services en français, oui ou non ?» Ça devient la décision du ministre, et non une obligation. Si on regarde la loi puis on regarde la section (j), le ministre prévoit «les autres questions qu'il estime appropriées», lui. Cela veut dire qu'une fois que le plan vient au ministre, lui il dit, «Thunder Bay est venu avec un plan. Dans le canton ils vont faire une régie d'administration régionale. On est contents, c'est beau», yay, yay, yay.

Il arrive avec le temps, puis là monsieur Hodgson dit, «Mon Dieu, qu'est-ce qui se passe là ? Ils n'ont pas respecté la Loi 8. Ils disent qu'ils ne veulent pas donner les services en français.» Là, il a une décision politique. Parce que ce n'est pas une obligation dans la loi, ça devient une décision politique. Il dit, «Est-ce que je vais donner, en tant que ministre, les services en français, oui ou non ?» parce qu'il n'y a aucune obligation dans la loi.

C'est ça le point. Je sais que vous faites un bon travail à défendre votre ministre et à défendre la loi. J'ai bien du respect pour l'assistant parlementaire. Je ne veut pas dire ça d'une manière négative. On s'accorde très bien Mais la réalité dans la loi, ça devient seulement la décision du ministre. Ce n'est pas une obligation du ministre de prendre le plan et de s'assurer que les services sont donnés en français. Je vous demande la question telle quelle, puis j'ai besoin d'une réponse assez claire.

De là, monsieur le Président, j'ai deux questions qui vont être assez courtes.

La première est celle-ci : on fait un scénario. Thunder Bay arrive chez monsieur Hodgson. Ils donnent leur plan et ils disent, «Nous autres, on prend les services, but in English only.» Là le ministre a le plan. Est-ce que le ministre est obligé de donner les services en français dans le plan, est-il exigé de les inclure

dans le plan ?

Mr Spina: I think you've made the argument positively yourself, and I will repeat some of the things that you said to answer your question.

The first part is, if the services are being provided in French now and the proposal comes forward from Thunder Bay and it says, «We don't want to have a bilingual service. We just want unilingual English», or French, would the minister then look at it and say, well, it's a political decision?

I would suggest to you that it is not a political decision, because if that provincial service is currently being offered on a bilingual basis - and you answer the question yourself - if it fails to continue on a bilingual basis, it's a reduction in the standard of the delivery of that service. Therefore, in looking at the clause that says that it shall not derogate from the standards, in my opinion, the minister is obliged, whether the proposal comes forward or not. If the proposal comes forward in that way, if I were a minister and French services were there, I would reject the proposal under that context.

M. Bisson : Je reviens à ma question parce que, comme j'ai dit, j'avais deux questions. La première n'a pas eu de réponse.

La question que je vous demande est celle-ci. Le plan vient. Ils ont omis d'y inclure les services en français parce qu'ils ne veulent pas le faire. Est-ce que le ministre peut dire non ? En d'autres mots, est-ce que le ministre peut dire, «Je suis d'accord avec la municipalité et je ne veux pas inclure les services en français» ? Peut-il le faire, oui ou non ? A-t-il ce pouvoir ? En d'autres mots, c'est la décision du ministre. C'est ma première question.

Mr Spina: The minister is obliged to follow the clauses of the bill as they are set out. If he derogates from the standard of the existing service, then he can be challenged in court.

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M. Bisson : Oui. Le problème, c'est que la Loi 8 ne s'applique pas aux municipalités. C'est ça le problème. On va en rond. Je sais qu'on va en rond.

Laissez-moi le mettre de cette manière -

Mr Spina: It doesn't apply to the municipality, but the ASB can apply to the municipality.

M. Bisson : Écoute. La Loi 8 ne s'applique pas aux municipalités, ne s'applique pas aux municipalités régionales de la province, et ne s'applique pas aux municipalités des comtés dans le sud de l'Ontario.

Le problème qu'on a, c'est que la Loi 8 ne s'applique pas aux municipalités, et dans cette situation, là, c'est pour ça que je dis que ça devient la décision du ministre. La section dit que le ministre prévoit les autres questions quand ça vient aux plans, le ministre prévoit «les autres questions qu'il estime appropriées.» Ça veut dire qu'il y a une décision à prendre.

La deuxième partie, la section 38(2)(a), dit, «ne porte pas atteinte aux normes de prestation des services imposées aux termes de toute loi.» Le problème avec ça est que la Loi 8 ne s'applique pas aux municipalités, ça en est au point, donc, je vous pose la question.

Puis, j'ai une deuxième question après. Si le plan vient de Thunder Bay et ça dit qu'on ne donne pas les services en français, ils n'incluent pas les services en français, est-ce que le ministre peut, sous la loi, être en accord avec la municipalité pour ne pas inclure les services en français ? Est-ce possible dans cette loi, oui ou non ?

Mr Spina: I'm not sure whether he would agree. Does he have the power? Probably, but I think it is challengeable, and it's challengeable because, based on your own answer and my question to you, it becomes a reduction of the standard of the level of service. Therefore, if the minister agrees with that, he is contravening Bill 12.

M. Bisson : Vous êtes d'accord jusqu'au point de dire que oui, ça devient la décision du ministre, parce que c'est la manière dont c'est écrit. Ce n'est pas moi qui l'invente, c'est la manière dont c'est écrit.

Je veux clarifier quelque chose, et je veux poser une deuxième question.

Vous avez dit tout à l'heure que vous craigniez que notre amendement va obliger le ministre et obliger les municipalités à offrir des services là qu'ils n'étaient pas bilingues dans le passé.

Services de développement économique : il y a des municipalités qui ont des services de développement économique qui ne sont pas offerts d'une manière bilingue, parce que ce n'est pas quelque chose que la municipalité dans le passé a fait en français. Vous craignez que mon amendement va obliger les municipalités à offrir d'aller créer de nouveaux services en français.

Je veux vous assurer que non, ce n'est pas le cas. Tout ce que notre amendement nous dit, c'est que s'il y a un service qui était provincial - on ne parle pas du tout des services municipaux, on ne parle pas des services fédéraux, on parle seulement des services provinciaux. On dit seulement que, dans les instances où les services étaient provinciaux, une fois qu'on les transfère aux municipalités, on les transfère avec la Loi 8. C'est tout ce qu'on dit.

Je ne demande pas au gouvernement d'ajouter des services aux francophones. J'aimerais en avoir, mais je sais que ce gouvernement ne va pas m'en donner. Nous, une fois arrivés au gouvernement, on va s'organiser, on va aller dans la direction de déclarer cette province officiellement bilingue. Une fois pour toutes, cette question-là va être finie. Parce que moi, je commence de être tout fatigué comme francophone à venir ici chaque fois m'assigner soit avec le gouvernement conservateur, libéral, ou même NPD.

Moi, je veux m'assurer comme francophone que ces services-là sont protégés. Nous, dans notre amendement à votre projet de loi, mettons ça au clair : n'importe quel service provincial qui était là où les services doivent être offerts en français à cause de la Loi 8, si on le transfère d'une région désignée sous la Loi 8, demeure tel qu'il était avec la province une fois transféré à une municipalité en vertu des services en français. C'est ce que nous, on veut faire, cette clarification.

La deuxième question que j'ai pour vous est assez simple. Si j'étais le ministre et j'avais ce pouvoir, et que Thunder Bay est venu me dire, «On a un plan mais ça n'inclut pas les services en français», moi, je sais ce que Gilles Bisson ferait. Je dirais, «Une minute, là. La Loi 8 va s'appliquer dans ces situations-là.» Il n'y a rien que les municipalités pourraient faire, parce qu'elles seraient obligées sous cette loi de me donner mes services en français.

J'irais aussi loin de dire que si Joe Spina était le ministre du Développement du Nord et des Mines, j'espère croire que monsieur Spina ferait la même affaire que monsieur Bisson pour dire, «Oui, je vais m'assurer que les services sont en français.»

La question que je vous demande, au nom de votre ministre : si un plan vient devant votre gouvernement - ça ne fait rien de quel ministre il s'agit, si c'est Snobelen qui est le ministre demain, toi, M. Hodgson ou Mike Harris lui-même - êtes-vous capable de nous dire aujourd'hui d'une manière concrète que, pour sûr, dans toutes les régions désignées de la province présentement, tous les services transférés vont être les mêmes, qu'on va avoir les mêmes protections des services en français ?

Est-ce que tu comprends ma question ? Pour être clair : est-ce que le gouvernement de Harris va nous assurer dans ce projet de loi et mettre sur le record - parce que je vais m'en aller dans la Chambre lui demander ça pour m'assurer - qu'avec n'importe quelle municipalité qui vient en avant, qui demande un ASB et qui dit, «On oublie les services en français,» votre gouvernement va assurer, pour sûr, 100%, jurer sur la Bible, que les francophones vont garder leurs droits sous la Loi 8 ?

Mr Spina: The focus of your question was, would Mike Harris and cabinet and anyone else who is a minister guarantee that the transfer of services where they are bilingual currently will continue? The answer is yes.

The Chair: I think we have the parliamentary assistant's opinion on a very important question that we spent considerable time on. Through the Chair, listening to all of this debate, I think there's a -

M. Bisson : J'ai une suggestion qui possiblement va arranger votre problème.

Je sais, parce que j'ai été l'assistant parlementaire au ministre, que je ne peux pas parler pour le ministre. Puis je veux croire que ce que l'assistant parlementaire nous a donné aujourd'hui est une grosse concession, parce que vous êtes le premier à votre gouvernement de nous le dire, nous la communauté francophone. Quand on a posé la question à M. Harnick, à M. Harris et à d'autres membres dans la Chambre, on s'est fait dire non. Là, vous nous dites oui.

Moi, je demande au comité quelque chose de très simple. On peut passer à d'autres amendements et moi, je vais retourner dans la Chambre lundi demander une question et avoir cette garantie du ministre dans la Chambre. S'il nous la donne, je suis prêt à accepter le mot du ministre dans la Chambre et on continue.

En d'autres mots, on peut traiter les autres amendements et on revient à ce point-ci jeudi prochain, une fois que le ministre lui-même aura clarifié ce que l'assistant parlementaire vient juste de nous dire va être la politique du gouvernement durant ce terme et, si malheureusement ils sont élus pour un deuxième terme, qu'ils vont continuer la même pratique.

Je verrai une victoire quand je l'aurai vue.

Mr Spina: I can assure you that it is the minister's intention and the response that you will get if you ask him in the House, "Would bilingual services be continued in the order where it is existing?" - I'm sure you will get that assurance from the minister. I am confident that you will get that assurance.

M. Bisson : On peut tous être d'accord, monsieur le Président, qu'on peut à ce point-ci mettre cet amendement de côté, finir les autres amendements - ça peut finir le comité beaucoup plus vite - et on va revenir à ce point-là jeudi prochain ?

Je veux que tu comprennes quelque chose. Je veux mettre quelque chose sur le record. C'est très important. Je veux dire à l'assistant parlementaire et je veux dire au gouvernement, je ne suis pas ici pour vous mettre des bâtons dans les roues. Moi, je suis ici parce que, comme vous, je suis un membre honorable qui est en train de prêcher pour sa paroisse.

Pour moi, la communauté francophone est importante, et je viens juste d'entendre l'assistant parlementaire nous donner ce que je crois être une victoire. C'est une démarche de la politique que le gouvernement de Mike Harris a suivie pendant trois ans. Si l'assistant parlementaire énonce aujourd'hui la nouvelle politique du gouvernement provincial, je suis préparé à accepter ça comme une garantie qu'on va avoir nos droits. Je sais que ce n'est pas légal dans le sens que ça ne va pas être dans la loi, mais au moins on va avoir une manière de protection politique quand ça vient à cette question. Moi, je ne vais nuire au comité, je ne veux pas qu'on continue le débat pour toujours sur ce projet de loi si le gouvernement est préparé à nous donner une garantie.

J'essaie d'avancer le comité, puis je demande si on peut laisser cet amendement-là, ne pas voter dessus, et qu'on continue avec d'autres. On a seulement une heure. Ça va nous donner la chance de finir les autres amendements. On revient avec celui-là jeudi, après qu'on aura eu la garantie du ministre. Comme ça, tout le monde est content. La communauté francophone, le gouvernement, on va tous être contents.

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The Chair: We need unanimous consent to stand this particular motion down until we've completed the other amendments. I'm asking the question on standing this amendment down, section 10, subsection 41(11) -

M. Bisson : Monsieur le Président, je veux être clair. J'ai demandé qu'on traite tous les autres amendements qu'on peut aujourd'hui, mais si on ne finit pas toutes les affaires du comité aujourd'hui, on

veut revenir jeudi et finir cet amendement une fois qu'on aura eu la garantie du ministre.

The Chair: I would ask our clerk to clarify the procedural requirements here, that this duly convened committee is required to deal with the amendments in order and we would require unanimous consent to stand this particular amendment down to continue in any form. Is that not correct? OK.

I'm asking the question about unanimous consent: All those in support? We don't have unanimous consent.

To go back to the amendment that is before us, I'll give you the views if I am entitled; otherwise, I'll leave the chair.

I think if you read the actual language of the amendment we're dealing with, you'll find that it almost reflects - I would defer to the legal opinions here, but with the reading of that, there's a specific word that implies the service exists. In your amendment, the word "exist" implies it's the current status of a service, and if that is the interpretation as it is written, then the answer we've received from the parliamentary assistant and the legal advice is that that's exactly the intent of Bill 12.

Much of your argument was based on the fundamental weaknesses within Bill 8, that they are not provided, or other municipalities can opt out. Those are not appropriate discussion with respect to this particular amendment. It's trying to say, does this amendment improve or detract from the bill? I they think tried to answer the question both from the legal perspective and - is that not your intention, to say that we do provide that continuity of service?

We're in the middle of a motion. We are not standing the motion down; we voted on that.

M. Bisson : Je demande l'unanimité du comité qu'on essaie encore une fois, parce que je pense que cette fois-ci ça va marcher, qu'on passe sur cet amendement pour le présent qu'on continue avec les autres amendements pour qu'on puisse avancer le projet de loi. Je ne veut pas nuire au projet de loi du gouvernement. Je veux continuer avec l'ouvrage qu'on a à faire.

En une heure, on va avoir la chance de finir les amendements du gouvernement. Il y en a beaucoup. On va travailler avec vous pour être capables de s'assurer qu'on peut aller, à travers cet ouvrage, le mieux qu'on peut, et on va revenir jeudi, une fois qu'on aura eu une réponse du ministre sur la question qu'on a demandée avant. On met de côté cet amendement, on revient jeudi là-dessus, et on continue avec les autres amendements en attendant.

The Chair: Just a moment here. We have a procedural, as opposed to a particular, debate here.

I have been advised that we have really dealt with the question of standing this down, and M Bisson has said - I believe I heard him say - that if we vote this motion in, he is prepared to, after the minister's explanation next Thursday, withdraw or declare this amendment redundant. Is that not what you said?

M. Bisson : Exactement. Si le ministre revient et qu'il répond comme l'assistant parlementaire, on va prendre -

The Chair: Again, as we go through each section of the bill to approve it, the amendment could be defeated, I suppose, at some other later date. Is that not possible?

I'd perhaps ask the clerk if he would tell you the difficulty here where the government is bound by certain procedural things.

Clerk of the Committee (Mr Tom Prins): If the committee passes an amendment, the only way to go back to it is by unanimous consent to re-open that, so -

M. Bisson : Ce n'est pas ça que je demande. Je n'ai pas demandé qu'on vote sur l'amendement. J'ai demandé qu'on passe sur l'amendement. In other words, we stand this down. OK? On continue avec les autres amendements du gouvernement et on les note. On continue à travailler pour s'assurer qu'on peut

avoir l'avancement sur le projet de loi, et la semaine prochaine, je demande la question au ministre dans la Chambre, tel qu'on l'a demandée à l'assistant parlementaire, et il répond comme j'ai entendu aujourd'hui. On revient jeudi, on finit cet amendement, et on finit le projet de loi.

Interjection.

The Chair: I have the same interpretation as the clerk, and I think Mr Sergio is asking the same question. I believe we've already put the question of standing this motion down. We sought unanimous consent and we did not get unanimous consent. Therefore we've dealt with this procedurally, and we've had extensive debate. I guess we could put the question on this particular amendment - yes, Mr Sergio.

Mr Sergio: If I understood M. Bisson, what he's saying is to defer this one here until he has a chance to ask the minister in the House, and to continue with the other amendments. Am I correct, monsieur Bisson: to defer this one here until you ask the minister in the House and to continue with the other amendments? I don't think we have voted on that.

The Chair: I guess we're procedurally gridlocked, because we've dealt with that very issue.

Mr Sergio: You're the Chair. You have to decide one way or another. It's not that you're in a gridlock here.

The Chair: I'm saying we've already -

Interjection: Could I ask for five minutes?

The Chair: I guess if it's the will of the committee, I would like to accommodate that we move forward. I want to recognize the important time we've spent on this, and I think it has been well defined.

I will call a five-minute recess, please, if people want to caucus.

The committee recessed from 1657 to 1709.

The Chair: I'd like to call the meeting back to order. We've all had our appropriate time to figure out how we move forward.

Mr Blain Morin: I think it's important to realize the significance of the amendment that we're putting forward or what we're asking for here. The significance is that we want to maintain service for francophones.

Through the Chair, I share a story and my concern. This is about maintaining service. I have a municipal background, and at the municipality I work for, out of 500 employees at the city of Sudbury, for example, we had two designated francophone positions. Now, the city of Sudbury was designated as a francophone community.

My concern is that we have in the bill services that are significant to the public safety when we deal with land ambulance, significant to public safety when we deal with housing, for example. On those issues, we have to maintain the francophone services. What we're looking for is a maintenance. Why we need the maintenance of those services is because when we start downloading those services, there's a big difference between a francophone going into a municipality and asking for a building permit compared to a downloaded service - ambulance services, for example - where it's life-threatening. We have to maintain it. In my area, my constituents are concerned with the maintenance of that. We somehow need a guarantee of the maintenance of that.

I would suggest - and I agree. What we're hearing from council is that it is ambiguous in form and can be challenged before the courts in the future. But that doesn't solve the problem. If we have municipalities that are going to be out there challenging that section of the act, the francophone community will suffer. My constituents in Chelmsford, during debate in this by-election, made it quite clear that we have to maintain francophone services in the community, especially around this bill.

It's not a question of turning things around and going back to the old French-English debate, or amplifying that debate. It's a chance here, and what we're talking about is equity. We're talking about the rights of francophones in areas like Nickel Belt, in areas like Chapleau, where we really, really need to maintain francophone services around ambulatory care, around social housing.

We have a proud heritage in our francophone community, where things like Festival Boréal are growing. We've established one of the best francophone community colleges anywhere in Canada, in my estimation, with Collège Boréal. It's the francophone community that continued that fight and wanted that fight. My reason for objecting, my reason for needing those assurances at this point in time, is to maintain francophone rights. It's a maintenance issue. It is in no way, and we can't turn it into, an us-versus-them issue.

That's why we're so concerned about maintaining those rights. That's why at this committee level it's so important to talk about those issues and it's so important to ensure, to not take a chance and go through a court challenge. We're the government, and it's important to ensure those rights. We shouldn't be turning those rights over to the courts and having mixed feelings in putting the francophone rights issue in there. We have the power to maintain what we've got today. That's what we're asking. Bill 8 does not cover the services downloaded on to municipalities. We're going to have municipalities out there challenging it. Is that the purpose of legislation in bills, to bring them before the courts? I really have a problem with that.

In my community, as I said, it's so important. When we went through the francophone debate, we heard the PC candidate, Gerry Courtemanche, talk to us. He spoke very fluently and he was simply adamant about protecting francophone rights. What we're asking for is that protection. We need the assurance. We need it. It's got to be in the legislation. At this point, I don't believe you can just take that off and say, "Well, it could go to a court challenge." We can't do that.

The purpose of this legislation should be to maintain those rights. That's the basis of our argument at this time, especially around, as I said, issues in Nickel Belt. The Collège Boréal that was maintained in Sudbury, for example, is training francophones throughout the community. It's really important in areas like Gogama and Sultan, for example, for our economic development to have those trained professionals, and those professionals trained as francophones.

So I'm asking this committee for some understanding, and I'm asking that we don't just pass legislation for the purposes of throwing it in the hands of the court system. We're asking, through M. Bisson's recommendation, for something that's going to maintain the services and guarantee that those services are maintained in the future.

I can't say enough that the issue has to be that we have to maintain those French services, because that is imperative to my community and to communities like Gogama, Chapleau, Foleyet and Sultan. I think it comes down to, is this government going to protect those francophone services in the future? That's what we have to protect, that's what we're asking to maintain, and we believe we can reach agreement here today.

The Chair: Thank you very much. That's a very impassioned plea.

M. Bisson : Je veux mettre sur le record à ce point-ci : comme vous le savez, tout à l'heure on a demandé le consentement unanime pour qu'on ne finisse pas cet amendement, qu'on mette mon amendement, l'amendement NPD, à côté et qu'on continue avec le restant du projet de loi. On finit ça. On retourne à la Chambre la semaine prochaine, quand j'aurai la chance de demander la question au ministre. Le ministre répondra de telle ou telle manière. On revient la semaine prochaine avec une clarification, puis on finit le projet de loi.

On a eu la chance avec notre chef parlementaire, M. Wildman, on a eu la chance avec l'assistant parlementaire, M. Spina, d'arriver à une conclusion entre les trois partis qu'on pourrait faire ça. Puis je pense que M. Spina a une suggestion de comment on peut se rendre à ce point-ci. Je veux seulement dire pour le record encore, et je veux que vous compreniez, que je n'essaie pas d'obstruer. On fait seulement notre job. On veut protéger les francophones. Ce que je vois ici aujourd'hui c'est un gouvernement qui

s'en va plus loin qu'ils n'ont jamais fait dans le passé quand ça vient aux droits francophones. C'est une marque, je pense, positive. On s'en va dans le bord-là.

The Chair: Very good. Now, is that in the form of a motion or - parliamentary assistant, would you like to respond to that, please?

Mr Spina: I seek unanimous consent, Chair, that we defer this particular amendment and address all of the other amendments on the table and try to get through them by 6 o'clock tonight.

Mr Sergio: On a point of clarification, Mr Chair: deferral until Mr Bisson has a chance to ask of the minister in the House clarification of that particular clause.

Mr Spina: He has agreed to defer this until next week, until he has some communication from the minister, not necessarily a question in the House.

The Chair: There's been some agreement, it's my understanding, that the House leader of the NDP -

Mr Sergio: I want to be sure of that. Mr Bisson, your amendment now, it is not until you have a question in the House of the minister? Am I correct?

M. Bisson : L'amendement ne va pas être traité jusqu'à jeudi prochain.

Mr Spina: That's fine.

The Chair: We have a motion before us. Any speakers to the motion to stand this down?

Mr Spina: Was it a motion or unanimous consent?

The Chair: We're seeking unanimous consent to stand this amendment down. All those in support? That's agreed. So we're proceeding, working in harmony.

The next amendment to the bill is -

M. Bisson : Monsieur le Président, encore pour vous assister, pour faire ça plus vite, parce que je veux aider, on avait un amendement, nous le NPD, qu'on avait mis de côté la semaine passée. C'est un amendement qui traitait la question de Sault-Sainte-Marie. Notre chef parlementaire de ce comté-là peut l'expliquer.

1720

The Chair: Very good. Okay, the members would recognize we had an NDP motion that has been stood down. It's in reference to section 10, subsection 38(2.1). Do the members have that in front of them? If the mover would like to speak to it, or the House leader, whomever.

Interjection.

The Chair: It's been moved. It's now back -

Mr Bud Wildman (Algoma): It's been moved?

Mr Bisson: I thought I had moved it. Sorry.

The Chair: It's just been stood down.

Mr Bisson: I just moved it over to the House leader.

Mr Wildman: Perhaps I could explain the reason for the proposed amendments to section 10. In some parts of northern Ontario where there is no municipal organization, there has been provision made for

land use planning to be done. In most of those areas the planning is done by a planning board set up under the aegis of an adjacent municipality, but in one particular area in my constituency that I'm sure Mr Spina is fully familiar with, knowing his background, the area which is commonly called Soo North, an area that goes from the Sault Ste Marie city limits northward for about 70 miles along Highway 17 to Montreal River harbour, along the eastern shore of Lake Superior, there's a large number of unorganized municipalities, unorganized townships.

Back in the 1970s, because of uncontrolled growth, the then Minister of Municipal Affairs, Claude Bennett, issued a ministerial order to control growth under his responsibility on the Municipal Act, and appointed a planning board, the Soo North planning board. I may be wrong on this, but I think it's the only planning board in the province that is not attached to a municipality.

In this particular case, the municipality is the Minister of Municipal Affairs and Housing. The Soo North planning board is appointed by the Minister of Municipal Affairs and Housing, and reports to the Minister of Municipal Affairs and Housing. It deals with all planning questions, severances, approvals for rezoning - actually, they're developing an official plan; it hasn't been finalized yet, but it's close to finalization - all questions related to sub-division plans approvals, all of these kinds of things.

As you may know, the Ministry of Municipal Affairs and Housing just recently informed all planning boards in the province that they were going to discontinue the plan's administration grants, which means for those planning boards that are attached to municipalities that the municipalities will have to come up with the administration funding through user fees or whatever, general revenue. That is not open to the Soo North planning board since there is no municipality. So what is being proposed here is, in an area like that, if an area services board is formed and they are prepared to have as one of their functions land use planning, that they purchase the service from an established planning board, in this case the Soo North planning board.

I've discussed this with officials of the Ministry of Municipal Affairs. This specific amendment has been requested by the Soo North planning board; they were the ones who proposed it. This does not require the area services board, if it is formed, to do planning, but if they decide to do planning, then instead of setting up a new board or starting from scratch, what is being proposed here is that if there is an established board that is doing it, they purchase the service from them. That is the reason for the amendment.

Mr Spina: Thank you, Mr Wildman. One of the things that we're trying not to do, I guess, is micromanage how the ASB proposal comes in. For that reason, we wouldn't support the amendment. We feel that once the ASB is set up, if and when it is set up, it is their decision as to whether they want to contract the Soo planning board, as it exists now, or the Soo north planning board as it exists now, or if they choose to recreate it. To me, it would be foolish for them to recreate the wheel, but that's the reason I would not want to force a tentative ASB - because we haven't seen a proposal.

If anything, what I would suggest is, rather than have this amendment, that when and if a proposal comes forward to the ministry by the Algoma area or the area around the Soo, if that particular element was not included in the proposal, then I think that's grounds for them to appeal to the minister, to say, "We don't think this is fair," or whatever the case may be. I think it would be best dealt with at the local level by the ASB.

Mr Wildman: I don't want to prolong this, because I know you have a lot of other amendments to deal with. I would say this: The bureaucrats within the Ministry of Municipal Affairs and Housing really want this amendment, and so does the appointed Soo North planning board, because frankly they don't know where their funding is going to come from three years hence because of the decision to discontinue the plan's administration grants. They're also very concerned that we may revert to the situation we had back in the 1970s when there was uncontrolled growth and when the provincial government had to intervene and set up the Soo north planning board.

Having said all of that, I think if you read my amendment closely, it does not require first an area services board. There may not be an area services board in the area. If one is formed, it still doesn't require them to do planning as one of their functions. All it says is that if they are going to do planning,

they are required to purchase it from the established board.

Having said all of that, I am sure the legal beagles in the ministry could come up with a regulation that would do this.

The Chair: Thank you, Mr Wildman. It's an important contribution to the history of this amendment. We did have some difficulty, but that's your expertise and it's appreciated.

So we have the motion and the debate that has ensued. It's time to call the question on this amendment. All those in support?

Mr Bisson: Recorded vote.

Ayes

Bisson, Sergio.

Nays

Elliott, Munro, Spina, Young.

The Chair: We're now at a government motion on section 10, subsection 43(6).

Mr Spina: I move that subsection 43(6) of the Local Services Boards Act, as set out in section 10 of the bill, be amended by striking out "The Minister of Finance" at the beginning and substituting "The Ontario Property Assessment Corporation."

The Chair: Any comments or questions?

M. Bisson : Très rapidement, je veux une petite clarification, pourquoi vous faites ça. Je n'ai pas un problème philosophique mais je veux savoir pourquoi. Why?

Mr Spina: The motion recognizes the current situation, that the Ontario Property Assessment Corp has since replaced the Minister of Finance for assessment purposes under the act.

M. Bisson : Je savais qu'il y avait une réponse très logique. Merci beaucoup.

The Chair: Seeing no further questions, all those in support of the motion? All those opposed? It's carried.

Next, section 10, subsection 49(1): I have a motion by Mr Spina.

1730

Mr Spina: I move that subsection 49(1) of the Local Services Boards Act, as set out in section 10 of the bill, be amended by striking out "by the Minister of Finance" in the fifth and sixth lines.

For the purpose of clarification, same reason.

The Chair: Moved by Mr Spina. I suspect, Mr Bisson -

Mr Bisson: Same vote.

The Chair: I'll call the question. All those in support? Opposed? Carried.

We are now dealing with section 10 of the bill, section 49.1, moved by Mr Spina.

Mr Spina: I move that section 10 of the bill be amended by adding the following section to the Local

Services Boards Act:

"Different system for establishing tax ratios

"49.1 An order may provide for a different system of determining tax ratios than that set out in subsection 49(1) where a proposal requesting the system has been made."

The Chair: Any questions or comments?

Mr Bisson: Mr -

The Chair: Chair.

Mr Bisson: "Président" en français. I couldn't translate into English all of a sudden.

Very quickly, and I don't want to take a lot of time on this, I understand where you're going and what you're trying to do here, but I just want to point out that this is problematic. We know that with the change in the taxation system that has previously been done by the provincial government, we're seeing the various tax ratios actually becoming a hindrance to the commercial sector in our riding.

We're seeing a number of examples: Camper City, Roger Cauchon, Urgel Gravel, Bupont Motors, Timmins Garage, and the list goes on. I have a whole bunch of commercial properties in the municipality of Timmins that have seen their taxes go up dramatically, over 100% this year. It's not because the assessment system has changed. That's part of the reason, but that only accounts for about 30% or 40% of the increase. It's not because the city has increased taxes by 2.5% because of the downloading; that's only 2.5%. Now we're at 32.5%.

Their taxes have gone up anywhere from 100% to 127%, and the reason is twofold. The major contributing factor is that the tax ratios as established under the previous legislation by the government have changed the tax rate for those businesses. What you're seeing is an overall increase of taxation over last year of 127%. Take out about 35% of that as new assessment system as far as valuation of property and tax increase.

The second issue is, the same problem exists within the school boards. When you got rid of the six school boards in northern Ontario to make the new school board number one, the English public, you basically averaged out all of the taxes into one common tax rate for commercial assessment.

What we ended up with was that in the city of Timmins where we're assessment rich, everybody got averaged up. We're seeing, for example, all of these commercial properties on Riverside - the increase in one property was 157% because of those two particular factors.

I just want to say to the government that you haven't heard the last of this. I'm not going to delay the debate, but you're opening up a can of worms with this. I want to put on the record that I'm voting against this amendment for that reason. We should be trying to protect the taxation levels for commercial businesses, not trying to increase them.

Mr Spina: The amendment was really brought in because during the committee hearings in Thunder Bay some representatives from unincorporated areas raised the concern that the municipality should be provided with an opportunity, with the approval of the ASB, to continue to determine its tax ratios for its own purposes. This provides the flexibility for an ASB proposal to provide the municipalities with the ability to continue to set their own tax ratios. That's the reason why we put it in there.

Mr Bisson: Again, two seconds. Not to prolong it, but you have to understand that the tax ratios as established under the previous act are the problem. That's where we're at. The tax rate we have now for commercial properties is actually quite higher on those properties because of the previous legislation. So when we changed the ratios, when we created the ratios in the legislation change two years ago, we ended up with this problem. I'm pointing this out, and I want a recorded vote and I'll vote against this amendment.

The Chair: Recorded vote.

Ayes

Elliott, Munro, Spina, Young.

Nays

Bisson, Sergio.

The Chair: We will now deal with section 10, subsection 51(3.1). It's a government motion moved by Mr Spina.

Mr Spina: I move that section 51 of the Local Services Boards Act, as set out in section 10 of the bill, be amended by adding the following subsection:

"Limitation

"(3.1) A board shall not pass a by-law under subsection (3) until transition ratios are established for the property classes that apply within the board area, other than the residential/farm property class, the farmlands property class and the managed forests property class prescribed under Assessment Act."

The Chair: Any questions or comments? Seeing none, I'll call the question. All those in support? All those opposed? Carried.

I have an amendment on section 10, subsection 51(9), a government motion moved by Mr Spina.

Mr Spina: I move that subsection 51(9) of the Local Services Boards Act, as set out in section 10 of the bill, be amended by adding the following clauses:

"(b.1) prescribing average transition ratios for the purposes of subsection (19)

"(b.2) providing for the application of optional property classes in a board area for the purposes of this section."

The objective here is to conform with the wording in Bill 16.

Mr Bisson: Just a reminder. Bill 16 is what bill again?

Mr Spina: To give tax relief to small businesses, charities and others, and financing of local government.

Mr Bisson: Again, just another question. Why do we need to prescribe the average transition ratios? We're providing for a transition between what exists now and what may exist when it comes to taxation rates under the new ASB?

Mr Spina: It's my understanding.

Mr Bisson: And how long will that transition be?

Mr Spina: Whatever the period is in Bill 16 is what we're attempting to comply with.

Mr Bisson: Is that the cap issue?

Mr Spina: No. The formal title of the bill is An Act to give Tax Relief to Small Businesses, Charities and Others and to make other amendments respecting the Financing of Local Government and Schools.

The Chair: It's called a range of fairness, I think.

Mr Bisson: I'm just trying to remember, because this is an interesting one if you're doing this.

Maybe legislative counsel can help. What bill was it - I should know this, but we deal with so many bills in this place. There was a bill that was established by the government that allowed municipalities to impose a cap on the increase of taxes that would be caused by the changing of the assessment system. What bill number was that? That wasn't 16, was it?

Mr Wernham: I think it was 16, but I stand to be corrected on that.

Mr Spina: I have a further clarification. This adds the same authority that's provided under subsection 363(10) of the Municipal Act.

Mr Bisson: This means to say we're reopening the cap. Is that what that means? If it's that, it's a good thing.

Mr Spina: It permits flexibility in setting those tax ratios.

Mr Bisson: I have a question then. In the city of Timmins, as the example, those businesses I talked about earlier - Timmins Garage, Bupont Motors, all of them - have seen their taxes go up some 120%. The municipalities get together and decide to form an area services board and they now have to set the taxation ratio. If the tax has already been imposed by the municipal government prior to this legislation coming in place, it couldn't deal retroactively by inserting a cap on what has been increased already, right?

Mr Spina: No. What it does is, where you have the flexibilities within the municipality, whether they choose to use those flexibilities or not in setting the tax ratios, the area services board would have the same flexibilities as they would if they were a municipality.

Mr Bisson: The specific I'm getting at is that if you've already got your tax bill, and you got a 127% increase like Urgel Gravel, and we pass this legislation and we form an area services board for next year

Mr Spina: Can they impose it on the municipality retroactively?

Mr Bisson: Yes.

Mr Spina: I can't answer that. I don't know.

Mr Bisson: I don't think they could. Just for the record, I'm going to go back to the Minister of Municipal Affairs and try to deal with it, because he indicated at estimates that he was possibly thinking of reinvoking the cap and giving the municipality the ability to go into it. If that's the case, it will protect people like Urgel, Jim Mascioli and others.

1740

The Chair: No further comments? I'll call the question on this amendment. All those in support? No one opposed. That's unanimous.

We have a government motion dealing with section 10 of the bill, subsections 51(16) to (24).

Mr Bisson: On a point of order, Mr Chair: Can we give the parliamentary assistant a breath of air and a glass of water before he starts to read this?

The Chair: Everyone has the amendment. He isn't required to read it if it's the will of the committee to take a look at it. We're familiar with those amendments. They were tabled some time ago.

Mr Bisson: On a point of order, Mr Chair: I thought it was a requirement, that he had to read the amendment.

The Chair: Are there any questions? Everyone, according to the procedures, has the written text in front of them and is familiar with the issue they're voting on. If they're not, they should raise that question. If they are, we can call the question.

Mr Bisson: I'm not trying to obstruct, just to clarify: If I as a member requested that it be read, you would have to read it, right?

The Chair: Yes, absolutely.

Mr Bisson: OK. I just want to make sure we don't create a precedent that may haunt us in the future.

The Chair: No.

Mr Bisson: Please read it.

The Chair: The amendment I have referred to is moved by Mr Spina.

Mr Bisson: Can we have an explanation? It's a huge amendment.

The Chair: The mover of the motion is Mr Spina. We've got that dealt with. Would you like to address the very long amendment?

Mr Spina: It is to conform with wording in Bill 16, and it reflects new tax provisions for the municipalities. It extends the application to area services boards that adopt taxation model number 2 that's in the act.

Mr Bisson: It comes back to the issue we just talked about. I'm just reading it. Just for the record, one part of it says, "definitions: 'commercial classes' means the commercial property class and the property classes, each of which is a property class that a board may opt to have apply under the regulations" - so this gets back at the cap issue, actually, doesn't it? I see a head nodding. This means "yes."

Mr Spina: Yes. The regulations that have been made under the Assessment Act, which are there, we just want to ensure that this complies with that. Where the caps were optional in that act, they will be optional here as well.

Mr Bisson: Just for the record, what this means is that when an ASB is created, the ASB will have the ability, if they so choose, to invoke the cap and phase in the tax increases that would be a result of all the downloading and the assessment system etc as under Bill 16.

Mr Spina: As under Bill 16.

The Chair: For the record I will quote the standing order number which permits the Chair to group and/or accept motions that have been tabled. That is standing order 74(c).

Any further debate on this amendment? If not, I'll call the question. Those in support? Those opposed? The motion is carried unanimously.

The next amendment is section 10 of the bill, clauses 60(1)(b) and (c) of the Local Services Boards Act. I'm advised by the clerk that this amendment is in reference to a previous amendment and at this point is deemed to be redundant or not required. I would give the NDP the opportunity to withdraw the amendment.

Mr Bisson: For the record, Chair, this particular amendment was brought forward in order to deal with the issue of the minister having additional powers to change the order. We've now got this clarified under the previous amendment, and this amendment is no longer needed because we got the assurances

with the previous amendment. We'll withdraw this particular amendment.

The Chair: All members will dispense with that amendment.

We're also dealing with the next amendment, a government motion.

Mr Bisson: Is this the last amendment?

The Chair: That is the last amendment of section 10. Of course, we're still having the issue which you have tabled, so we can't vote on that section as completed. It isn't completed yet. We're just going to proceed now to section - yes?

Mr Bisson: Question: So when we're finished dealing with this amendment, we'll adjourn the committee and we'll come back on Thursday morning?

The Chair: That's my understanding. It seems appropriate. It's 10 minutes to 6.

If members of the committee could look at section 11 of the bill, we're dealing with a government amendment to subsection 3 of the bill, item 8 of the schedule to the Local Services Boards Act, moved by Mr Spina.

Mr Spina: I move the section as presented to the members. The rationale: Currently, where the LSBs are providing library services, they're using the "recreation" category. This motion explicitly provides that the LSB can provide the services of libraries.

Mr Bisson: Can we have this read?

Mr Spina: The addition of the provision would formalize the existing local services board practices and the Ministry of Citizenship and Culture's library policies.

The Chair: We've been asked to have this government amendment read. I would ask the parliamentary assistant to respond.

Mr Spina: I move that section 11 of the bill (item 8 of the schedule to the Local Services Boards Act) be amended by adding the following subsection:

"(3) The schedule to the act is amended by adding the following item:

"8. Public library service

"The board may by bylaw,

"(a) contract for the provision of public library service by a public library board, union board or county library board or by a board of an Ontario library service area acting under subsection 34(2) of the Public Libraries Act; or

"(b) establish and maintain a public library service, and may, subject to the Public Libraries Act, charge fees in respect of such service."

Mr Bisson: To the parliamentary assistant, a comment first, then a question. If you thought I was going to allow you not to read the big, long one, that was only to help you out somewhat. But to try to sneak by me and not read this amendment - you know we have to have certain consistencies here.

I have a question, though. Last week, I believe it was, we were dealing with the issue of the ability for ASBs to contract out. We're not talking about contracting out in terms of going to non-unionized; we're talking about an ASB that, for example, has to provide public health under Bill 12. Under the legislation in a previous amendment we dealt with, we gave the ASB the ability to contract out to the public health unit that work. In other words, the ASB itself didn't have to do it. What I'm wondering is, why do we

have to come back explicitly with this to give libraries that same ability if there's a previous section in the bill that deals with this already in a more generic way?

Mr Spina: If I may, Mr Chair: It's really because of the existence of the services as they are lumped under the local services boards, the LSBs. They were in a recreation category. We're just trying to clarify it here for the purposes of language and responsibility so that an LSB could still be the contracted agent for the ASB.

Mr Bisson: This would stand to reason, then, and I come back to my example of Highway 11. You would know we've had this discussion at committee before. The city of Timmins and the communities on Highway 11 cannot come to an agreement on how to form the district services board as ordered under previous legislation by Minister Ecker. Now both parties have walked away.

If the minister doesn't impose a decision on them, the municipalities are now going to have an ability, under Bill 12, under Mr Hodgson, and Mr Spina, of course - I've got to give you some credit, Joe - to go back themselves and form a board. We talked earlier, if the municipalities along Highway 11 decided they wanted to form their own ASB, excluding the city of Timmins and letting the city of Timmins deliver their own services, that would be allowable under the scenario provided that it's financially feasible.

You wouldn't want an ASB that covers only two municipalities. You'd want an ASB that is big enough to operate. In our view, Matheson to Moosonee makes some sense and probably is consistent with what happened in Parry Sound with the DSB and what happened in Sault Ste Marie.

1750

The point I'm coming to is, in forming that ASB - let's say we did that - if the municipalities say, "We're going to form an ASB; we're going to call it the Highway 11 corridor ASB," and they set that up, if I understand it, under this amendment and under other amendments that we've done previously, they're now going to have the ability to say, for example, "We'd like to contract our library services out to the city of Timmins" or to some other district board. They would have the ability to do that? The nod, just for the record.

Mr Spina: Yes. They would have the ability to do that because where a library exists under a local service board - and it's independent of the city of Timmins, for example - if that's in part of the proposal, what this does is empower the ASB to include that as part of their proposal.

Mr Bisson: This and the other amendment then would say, because of the amendments we've made - and I've got to say for the record again that we've made some considerable progress in this legislation. All in all, we've made this probably a better bill in the end. Where we're at, if I understand it correctly, if two ASBs want to share services in some way, or an ASB and a local municipality like the city of Timmins decide for financial reasons that Highway 11 is going to set up their ASB but they don't want to run the housing part of it, they want to contract out the housing part to the city of Timmins because the city of Timmins is now doing it for the town of Moosonee and other places within the district, they would be able to do that.

Mr Spina: I've got to clarify something here. Public libraries are not part of the services, optional or otherwise, under ASBs. What it does do is, it does not compromise the LSBs from having the library boards, because they are part of an ASB. That is the clarification.

Mr Bisson: As to the other issue I raised, they would be able to do that?

Mr Spina: The LSB clearly can contract whomever they choose to deliver the library services, whether it's the big brother in Timmins or the little brother in Kap or Hornepayne.

Mr Bisson: I think I know the answer to this question but I want it again just to reassure the communities back home, because I really believe that Bill 12 can go a long way to fixing the problems we now have. If I understand it correctly, by all the amendments we have done on this bill and

improving it, we are now in a situation that if an ASB was formed on Highway 11 that excluded Timmins - right now Timmins Housing offers housing services to Moosonee, and I believe to parts of Iroquois Falls, which would be in the new ASB if they were to create one. The ASB could say: "We would like to contract out to Timmins Housing all the housing parts of their ASB. We will enter into a contract with the city of Timmins and they will run it for us and we'll have an apportioned cost etc." Would they be allowed to do that?

Mr Spina: Yes, they would be allowed to do that, but that has nothing to do with this particular amendment.

Mr Bisson: But it was a great way to get it on the record.

Mr Spina: Yes, I know.

The Chair: As Chair I should have been paying a little more attention. I apologize.

Mr Bisson: Thank you very much, Mr Chair, for allowing me that latitude.

The Chair: We've had discussion on this amendment. I'll call the question. All those in support of this amendment? That's carried unanimously.

In former business, we should deal with section 11, as this is only the one amendment. I'll call the question.

Shall section 11 -

Mr Bisson: I just want to make sure where we're going here. We are now going to vote on section 11 in its entirety, which excludes section 10.

The Chair: We haven't voted on 10. We're not able to.

Shall section 11, as amended, carry? That's carried unanimously.

For housekeeping purposes generally, I'd like to group sections 12, 13, 14 and the title of the bill.

Mr Bisson: Again for the record, excluding section 10.

The Chair: Yes. The remaining sections of the bill including the title: Shall this carry? Carried unanimously.

At this point in the day we're still dealing with the amendment to section 10 of the bill. That's my understanding. Any further comments on the procedure? As far as I'm concerned, we're to be meeting next Thursday.

Mr Bisson: One question before we adjourn: There was a Liberal motion I never marked that we had dealt with. It was section 10 of the bill, section 41 of the Local Services Boards Act, amending 41(1). I never marked what we did with that. I take it that it has been dealt with.

Interjection: It was dealt with in the usual way.

Mr Bisson: You mean to say you didn't win it? For some reason I don't have it marked and I'm wondering, is it my error?

The Chair: I have section 41 in front of me now. That motion was tabled and lost.

Mr Bisson: It was defeated. OK - just for my record. Thank you very much, Chair.

The Chair: It is the administrative duty of the Chair to say that we are scheduled to meet next Thursday.

our regular meeting day. With the goodwill of the committee, we'll have resolved the outstanding amendment and we're going to be meeting in committee room 1.

Mr Bisson: We'll be meeting again in this committee room, I would hope. I request that the committee provide translation services.

The Chair: I will instruct the clerk to arrange to meet in this particular room.

We had arranged for a subcommittee meeting right after this. If that's appropriate, I would ask the members of the subcommittee to stand by and we should be able to wrap up just where we'll go from here. Thank you very much. I adjourn this portion of the meeting.

The committee adjourned at 1756.



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Assemblée législative de l'Ontario

Deuxième session, 36^e législature

Official Report of Debates (Hansard)

Thursday 22 October 1998

Journal des débats (Hansard)

Jeudi 22 octobre 1998

**Standing committee on
general government**

Northern Services
Improvement Act, 1998

Condominium Act, 1998

**Comité permanent des
affaires gouvernementales**

Loi de 1998 sur l'amélioration
des services publics
dans le Nord de l'ontario

Loi de 1998 sur les condominiums



Chair: John R. O'Toole
Clerk: Tom Prins

Président : John R. O'Toole
Greffier : Tom Prins

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Thursday 22 October 1998

Jeudi 22 octobre 1998

*The committee met at 1005 in room 151.*NORTHERN SERVICES
IMPROVEMENT ACT, 1998LOI DE 1998 SUR L'AMÉLIORATION
DES SERVICES PUBLICS
DANS LE NORD DE L'ONTARIO

Consideration of Bill 12, An Act to provide choice and flexibility to Northern Residents in the establishment of service delivery mechanisms that recognize the unique circumstances of Northern Ontario and to allow increased efficiency and accountability in Area-wide Service Delivery / Projet de Loi 12, loi visant à offrir aux résidents du Nord plus de choix et de souplesse dans la mise en place de mécanismes de prestation des services qui tiennent compte de la situation unique du Nord de l'Ontario et à permettre l'accroissement de l'efficacité et de la responsabilité en ce qui concerne la prestation des services à l'échelle régionale.

The Chair (Mr John O'Toole): Welcome, members. First, we're trying to conclude on Bill 12, the northern services legislation. We had left off with an agreement to have some time this morning to resolve a very important issue. The Chair would like to recognize Mr Bisson and ask if he'd like to make a comment.

M. Gilles Bisson (Cochrane-Sud): La semaine passée, quand le comité a fini, on avait fait la décision comme comité de traiter tous les amendements du projet de loi 12, sauf l'amendement que j'avais proposé qui aurait garanti les services linguistiques pour les francophones dans les régions désignées dans la loi.

Au comité c'est devenu évident, point que l'assistant parlementaire, M. Spina, avait énoncé, que le gouvernement était pour adopter non pas une obligation dans la loi mais une politique provinciale, qui dirait, «Quand on transfère des services à travers la Loi 12, ces services, s'ils sont dans des régions désignées, une fois transférés aux régies locales sous la Loi 12, le gouvernement va s'assurer que les services en français vont être respectés.

On avait demandé à ce temps-là de mettre de côté mon amendement jusqu'au moment qu'on aura la chance d'avoir une lettre du ministre, M. Hodgson, qui répète l'énoncé de M. Spina. Comme on avait dit dans le temps, M. Spina est un bon homme, il est honorable, mais en tant

qu'assistant parlementaire il ne peut pas parler directement sur les politiques du gouvernement. C'est pour cette raison que j'avais demandé la précision du ministre en écrit.

Pour finir, on avait demandé la question à la Chambre cette semaine, et suite à cette question le ministre m'a donné une lettre que j'aimerais mettre dans le record. Je ne vais pas lire la lettre au total, mais la dernière partie dit : «D'une façon semblable, j'ai l'intention de maintenir les services bilingues lorsque les circonstances l'imposent au moyen de l'arrêté de l'établissement régional des services publics. L'arrêté du ministre couvrira les services en français au fur et à mesure qu'on évalue chaque programme conformément avec la politique provinciale.» Je vais expliquer cette partie dans une minute. «Évidemment, une considération particulière serait de mise dans le milieu où la population recevait déjà des services en français en vertu de la Loi sur les services en français», et c'est important : «Nous nous assurerons, au moyen de l'arrêté du ministre, que les services fournis à la collectivité francophone avant la formation d'une régie régionale continuent.»

Ce que le ministre nous écrit dans cette lettre est qu'il ne va pas nous donner une garantie législative, mais qu'ils vont adopter une politique qui dit à travers la Loi 12, quand on transfère un service dans une régie où les services en français étaient déjà établis sous la Loi 8, ces services vont rester en place. C'est ce que le ministre nous rapporte dans la lettre.

C'est une manière de victoire. Je dis directement à M. Spina et au comité et au gouvernement que ma préférence a toujours été d'avoir une obligation dans la loi. Des obligations dans la loi, comme on le sait, ça veut dire que n'importe qui est le ministre, n'importe qui est le gouvernement, on n'a pas de choix. La loi est la loi, comme on dit. Mais le gouvernement ne veut pas mettre ça dans la loi, pour des raisons auxquelles eux-mêmes doivent répondre avant la prochaine élection. On va encore avoir ce débat-là, j'en suis sûr.

Du moins, c'est la première fois en trois ans que le gouvernement provincial nous dit par écrit qu'ils vont respecter la Loi 8 une fois que les services auront été transférés à travers la Loi 12. Il faut dire qu'on vous félicite. Quand quelqu'un fait quelque chose de bien, il faut le dire. Avec ça, monsieur le Président, je veux dire que c'est une bonne nouvelle pour les francophones du

nord et on regarde avec intérêt à ce qu'il va arriver une fois que les services seront transférés pour nous assurer que cette entente qu'on a aujourd'hui va être suivie.

Le dernier point que je vais faire sur ce dossier est qu'il faut réaliser que ceci s'applique seulement dans le nord de la province. On va continuer à oeuvrer pour avoir du moins une lettre de la même manière des autres ministres qui disent que, quand ils transfèrent des services dans d'autres parties de la province, ils vont faire la même chose.

J'ai un autre point que j'aimerais soulever, mais peut-être que monsieur l'assistant parlementaire voudrait dire un mot.

Interjection.

The Chair: The Chair recognizes Mr Spina. I think the question was with respect to the application of Bill 8. Was that the question?

M Bisson : Yes.

Mr Joseph Spina (Brampton North): With respect to the rest of the province, Mr Bisson, I think that Bill 12 is what we're really here to address. That's the focus. Our objective is to ensure that the services are to be continued as we've described and agreed upon for Bill 12 and for northern Ontario. With respect to the rest of the province, that's beyond the scope of this bill at this point and certainly beyond the scope of this committee at this stage.

M. Bisson : Je comprends que cette loi est seulement pour le nord. Mais je pense que vous réalisez qu'il y a des francophones ailleurs que dans le nord de l'Ontario, à travers la province. On est très nombreux. Notre caucus NPD va travailler avec le gouvernement pour essayer d'avoir une lettre peut-être semblable quand ça vient au transfert des services dans les autres municipalités à travers la province où la Loi 8 s'applique.

C'est une victoire pour nous dans le nord mais il faut continuer pour le restant de la province. Comme je vous ai dit, c'est quelque chose dans un dossier qu'on va suivre de très près.

Chair, if I can raise one other issue very quickly, I will not take up any more of the committee's time. I want to raise a separate issue that we actually have dealt with, but it will only take about three minutes and I'll be done: the creation of the area services boards. I just want, for the record, to tell the parliamentary assistant in this committee that we've done a lot of good work on Bill 12. We've amended this legislation quite properly; we've made this legislation a lot more user-friendly for municipalities. It's a demonstration of what happens when you have a good committee process where a government drafts a bill, puts the bill out to the public for consultation, such as what happened this summer in northern Ontario, and then the committee comes back and does work in trying to amend the bill according to what we've heard.

This bill has been changed. I believe it is a much stronger bill now because of the committee process. I want to thank publicly the presenters across northern Ontario who came and presented. Now we have an opportunity possibly to make this bill work for some situations in northern Ontario. We have a saying in French: «On

prêche pour sa paroisse. We preach for our parish,» in translation.

Mr Parliamentary Assistant, you know that I gave a letter to Minister Hodgson yesterday in regard to the creation of an area services board in the Cochrane district. I want to say for the record what that letter is and hopefully the parliamentary assistant will support that. The letter says that the district services board process in the Cochrane district has fallen apart, that municipalities have walked away from both sides of the table. We think that the area services board legislation could be a route that would assist the creation of an area services board to deliver some of the downloaded services. What we've asked for in the letter is that the minister allow the Highway 11 corridor municipalities to work on a proposal that would exclude the city of Timmins in makeup as far as the creation of an ASB, and then the ASB, which would be the Highway 11 corridor and the city of Timmins, would come to arrangements on a service-by-service basis of what they do or don't want to share when it comes to administrative services.

Because the legislation under the DSB allows the minister to impose a solution, we're saying, "Do not impose a solution until you've given the municipalities an opportunity at least to look at the creation of an area services board within a reasonable amount of time, and that they not have a DSB imposed while they're working on an ASB proposal." I wonder if I could get a comment on that from the parliamentary assistant.

Mr Spina: Thank you for your comment, monsieur le député.

I think the minister will try to look at it on a reasonable basis, and if the proposal is as timely as we both would anticipate, perhaps they could take that into account. I can't speak for either our minister or certainly the Minister of Community and Social Services, but time is of the essence, and if there appears to be an amicable solution that is acceptable to all parties, including the ministers, it might be taken into consideration. I think it's a reasonable request.

Mr Bisson: Last comment, two seconds: Mr Parliamentary Assistant, Mr Spina, you're too modest. You say you cannot speak for the government. In the case of this amendment, you certainly did.

Mr Spina: I said I could not speak for the minister.

Mr Bisson: You certainly did and you've committed your government to a good provincial policy. I think you were probably a little bit more influenced in that cabinet than you think.

Mr Spina: Thank you. I appreciate it.

The Chair: Mr Bisson, I think it's been a very fruitful discussion, and respectfully to Mr Bisson, I think you've done an admirable job of representing the north on an important issue and helping each of us understand how important it is to you. Out of respect for that, we have before us an amendment which was moved by yourself —

Mr Bisson: Chair, I would like to withdraw that amendment at this point, considering that we've adapted a

provincial policy that deals with what my amendment would have done.

The Chair: Thank you very much, Mr Bisson. That NDP amendment is now withdrawn, which leaves us now having completed section 10 of Bill 12.

Shall section 10 carry, as amended? That's carried unanimously.

Shall Bill 12 carry as amended? Carried.

Shall I report the bill to the House as amended? Agreed? Agreed. That's unanimous.

We've now completed, and I thank the members of the committee for their patience and deliberations on this very important piece of legislation. I thank the parliamentary assistant and all parties for their assistance.

We're going to adjourn for about five minutes. When we reconvene, this committee will deal with Bill 38 and we'll deal with the subcommittee report at that time. We'll reconvene at about 25 after 10.

The committee recessed from 1016 to 1027.

SUBCOMMITTEE REPORT

The Chair: There is an agenda before us, and the subcommittee report is the first item on the agenda. After that, we'll deal with Bill 38, the Condominium Act.

Mrs Julia Munro (Durham-York): The subcommittee met on Thursday, October 15, 1998, and agreed to the following:

"1. That French and English advertisements will be placed on the Ontario legislative channel and on the committees' Web page.

"2. That each party will submit a list of potential witnesses to the clerk by Monday October 19, 1998, at 1:15 pm. These party lists, together with any names the clerk has received, will be distributed to the subcommittee members approximately 15 minutes later in the House. The subcommittee members will meet with the Chair of the committee between 1:30 pm and 3 pm to develop a priority list of proposed deputants. The Chair will provide this priority list to the clerk at 3 pm.

"3. That witnesses will begin presenting before the committee at 10:30 am on Thursday, October 22, 1998. Each witness will have 20 minutes in which to make their presentation and to answer questions from the committee members.

"4. That October 22, 1998, at 5 pm will be the cut-off time for people to contact the committee clerk to request an opportunity to appear before the committee. Written submissions must be received by the last day of public hearings.

"5. That the Minister of Consumer and Commercial Relations is not required to make an opening statement.

"6. That ministry staff be present at all committee hearings in order to answer questions from the members.

"7. That there will not be any opening remarks by any political party.

"8. That the expenses incurred by a witness shall not be reimbursed unless the subcommittee approves the request.

"9. That the legislative research officer will prepare background information for the committee. These research papers will be distributed before the start of each meeting.

"10. That each party will ask their House leader for permission to meet for two additional days outside of the committee's regular scheduled meeting times. The first day is to be used for public hearings and the second day would be used for clause-by-clause consideration of the bill.

"11. That each party will have 10 minutes for statements before the commencement of the clause-by-clause process.

"12. That amendments are due 24 hours before the start of clause-by-clause. Amendments will also be accepted throughout the clause-by-clause process.

"13. That the Chair, in consultation with the clerk, will make any other decisions necessary to facilitate these committee hearings.

"14. That the clerk is authorized to begin implementing these decisions immediately.

"15. That the information contained in this subcommittee report may be given out to interested parties immediately, as opposed to after the committee has voted on it."

The Chair: I would ask if there were any errors, omissions or comments with respect to the report that's been filed. There being none, I move that — well, I believe Mrs Munro has already moved it. I'll call the vote on the subcommittee report. All those in support? That's carried.

CONDOMINIUM ACT, 1998

LOI DE 1998

SUR LES CONDOMINIUMS

Consideration of Bill 38, An Act to revise the law relating to condominium corporations, to amend the Ontario New Home Warranties Plan Act and to make other related amendments / Projet de loi 38, Loi révisant des lois en ce qui concerne les associations condominiales, modifiant la Loi sur le régime de garanties des logements neufs de l'Ontario et apportant d'autres modifications connexes.

Mr Mario Sergio (Yorkview): Mr Chair, I just want to make sure that there is no difference between the French and English versions of Bill 38, because we have Bill 38 in English and Bill 3 in French. There's no change, I assume, in the French version. It's the same one?

The Chair: Duly noted, and it will be corrected.

GREATER TORONTO

HOME BUILDERS' ASSOCIATION

The Chair: We're right on time. The committee will call its first deputation this morning, the Greater Toronto Home Builders' Association. I ask the deputation to come forward and introduce themselves for the Hansard record.

Mr Vince Brescia: Good morning. My name is Vince Brescia. I'm the director of government relations for the Greater Toronto Home Builders' Association.

The Chair: Good morning, Mr Brescia. You heard the committee report. There are 20 minutes to use at your discretion.

Mr Brescia: Thank you. I've given the clerk a copy of my presentation, and also a copy of a report I'll speak to later. I don't know if that has been distributed.

As I said, I'm with the Greater Toronto Home Builders' Association. To give you a little background on our association, the GTHBA is the voice of the residential construction industry in the greater Toronto area, and we've been representing the industry since 1921. We represent residential home builders, whether they build single detached homes, semis, townhouses, apartments, lofts, conversions or any other type of residential construction. We also represent infill and custom home builders, as well as professional renovation contractors.

Our membership also includes the suppliers to the industry: the brick manufacturers, window and door manufacturers etc. We also represent subcontractors, whether it's bricklayers, carpentry, trim, drywall. As well, we represent many service and professional firms, as well as financial institutions associated with the industry. All told, our organization has about 940 member companies, maintaining businesses, residences and operations throughout the greater Toronto area.

Last year our members sold close to 27,000 new homes in the GTA, representing about 75,000 person-years of employment. The residential construction industry is a \$7-billion-a-year industry in the GTA alone, making it one of the largest industries in Ontario. Of the 27,000 sales I noted, about 9,253 last year were condominiums, so you can see that the condominium market represents a substantial portion of the residential construction market here in Toronto.

I am here today not only as a representative of the GTHBA, but also as a member of a joint committee we formed with the Metro Toronto Apartment Builders Association, the Ontario Home Builders' Association and the Urban Development Institute of Ontario. Together, our organizations recruited a committee of legal, engineering, insurance, building and developer experts to conduct a thorough review of this legislation. Altogether, our volunteer committee members have contributed countless hours in reviewing the proposed legislation. We discovered a number of very important issues and have provided a variety of suggestions for improving the legislation.

I have brought copies of our joint committee report today, which I've given to the clerk; it should be available to you. The people involved in the review are listed in the report, so you can see it there. You may find that a number of individuals who come forward will reference this report, so you may want to keep it handy for reference purposes.

Given the shortness of time, what I'd like to do is highlight some of the issues we have identified in our review of the bill. They are, of course, much more thoroughly

addressed in the report itself, and I'd urge you to look at that for the details.

The first issue I want to talk about is the concept of "significant change." The proposed legislation introduces this new requirement to disclose significant changes which are over and above a long-standing requirement to disclose material changes. These are the type of changes which are material to a purchaser's decision. The new concept in the legislation is undefined, and we are concerned that this is going to create litigation and uncertainty for purchasers and developers. It was only fairly recently that a lot of uncertainty in the condominium market was resolved in the courts, and I think it would be a shame to introduce a new concept and once again introduce uncertainty and litigation.

In addition, in the legislation there are a number of new disclosure requirements. I want to just touch on a few of them. I've identified them in my presentation. Given the time, I may not refer to every one you see in my presentation; I may gloss over a few. I'm going to skip down to the one at the bottom of page 2 of the presentation.

Clauses 73(3)(l) and (m) of the new legislation contain a requirement for a declarant to list "all other agreements that apply to the property" and to provide a brief description of all significant features of all agreements that would pertain to the properties. Together, these two requirements require not only that all agreements be attached, but also that a summary of each one be provided in the declaration.

That creates two problems. We are, of course, quite concerned that there are a number of agreements that apply to the property that should not have to be disclosed to purchasers and never have been disclosed in the past. There are private financial arrangements that the developer would have made, construction contracts, agreements with the Ontario new home warranty program etc. You could think of millions of them. But as we see the wording in the legislation, it requires the disclosure of all agreements — and a summary of them, which could create another problem. You'd have to do both, and if the summary somehow, for whatever reason, can be found to be different from the agreement itself, you could have litigation because the summary doesn't capture one particular element out of the other.

We have a couple of suggestions. We don't really think this was the government's intention. What you should do is require the disclosure of agreements that affect the ongoing operation of the condominium, and where an agreement can be attached you're not required to summarize it. Where an agreement is not available to be attached, then you would provide a brief summary, but you would not have to do both. That's an example of a particular area in which, although on the surface it appears like a relatively minor wording issue, the choice of the word "all" can have a rather devastating impact on the industry if it proceeds as it's outlined.

I'll move along to clause 73(3)(r) of the legislation, which requires that the disclosure statement contain a statement setting out the fees, charges and benefits that the corporation confers on another party. "Benefits" is a new term introduced in this legislation. It was not in the

previous legislation. It's undefined, and of course we don't know what it means. We're concerned, again, that there will be litigation to figure out what "benefits" means.

I'm going to skip to another wording problem under section 113 of the legislation. Again, it's a simple wording issue, but the way we read section 113 it may be possible for a condominium corporation to terminate a reciprocal agreement. We certainly do not believe this was the government's intention, and we believe with a simple wording change you could correct this problem, that these agreements would remain enforceable. Of course, this is quite critical.

Transition: We are also concerned that the transition provisions as provided in the legislation are not, as currently drafted, broad enough. This could lead to problems where units are sold under the existing legislation and, in some manner or another, new requirements are placed through the new legislation on the declarant which could be interpreted as material changes and which would make the agreements reached under the current legislation, when sales are made now — it could nullify those agreements. That would be particularly devastating to anyone who did it. We're not sure how it may occur, but because the transition provisions aren't broad enough, this may yet happen.

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I'm going to move now to section 44 of the legislation. There's a new requirement here for something called a performance audit. This is something that our industry had not seen any previous drafting of. We are familiar with the government's intention to require a performance audit, which would be like an engineering study to review the building for new home warranty program purposes, to see that it was constructed to a certain standard. What we're concerned about is that, as it is put in the legislation, there is an enormous amount of detail regarding the performance audit. This is in the legislation. Given that this is all new, we're quite concerned that such an amount of detail is in the legislation.

As far as we're concerned, if you want to do it you should probably have a general requirement for a performance audit. In fact, we'd prefer you call it a technical audit, because that's the industry standard; that's what we call these things now when we do them. We would like to see a lot of the detail removed from the legislation, because if problems develop, and as the technologies change and the testing environment changes, you may find that what's in the legislation is outdated or it may be problematic, and it's very difficult to change what's in the legislation. What you may do instead, which would solve this problem, is just put all the details into regulations and then you can adjust them if there are problems, while keeping the general requirement in the legislation.

I have a couple of other examples of where there are drafting problems in the legislation but where they could be potentially devastating for the industry. The new act contains a new concept of a vacant land condominium, which is a good idea and some people are interested in it. But as it's currently drafted there is a requirement that before each and every sale, the declarant must make a

separate request of the municipality to provide a statement of what services are going to be provided by the municipality. It doesn't have to do it once; the legislation says you have to do this before each and every sale. That requirement may render that section useless. I'm not sure how municipalities would feel about being inundated by letters and having to respond before each and every sale of a condominium in their municipality. That is something that could be pretty easily resolved, but nonetheless could make that whole section, the new concept being introduced, unusable.

Another example is in the leasehold condominiums section of the legislation, yet another new concept which a number of people in the industry are very interested in. Again, as it's worded now, this section only requires a corporation to remit the contributions collected from the owners on account of rent. The choice of wording may mean that the condominium corporation could say, "We weren't able to collect any rent," and the developer would simply not be able to collect rent. If that was the case, nobody would develop one of these things. If that is simply cleared up, that would make this section usable. Again, it would not be usable if the wording goes through as it is.

As you can see, most of the example issues I've identified here largely stem from simple wording choices in the legislation rather than being major policy issues. However, each of these could be potentially devastating to the industry if left unchanged. I therefore strongly urge a very careful review of the legislation. Resolution of the issues identified by us here is critical prior to the passing of this legislation.

There are a number of other issues which we have identified in detail in our report and I would encourage you to look at that.

We recognize that the committee and the government have not had a lot of time to review what was in our report and the suggestions therein, but we look forward to working with you all to make sure that the legislation works properly for all parties involved.

I thank you once again for allowing me the time to discuss this with you and I would be happy to answer any questions you may have.

The Chair: Thank you very much, Mr Brescia. We'll start with the Liberal Party. We have about 11 minutes left, so we can take about three minutes per caucus.

Mr Sergio: I don't need all that time, Mr Chairman. Just for clarification, Mr Brescia, some of your comments here may apply either prior to a registration of the condominium or once the corporation is in place. For example, just on the last one here, because we have skimmed over most of your points here, usually, if there are no fees paid, you go after the owner for collection of rent, if you will. You call it the leasehold here; I would call it maintenance fees in a corporation and so forth. Why would the corporation be involved when it's the owner responsible for payment of a portion of the maintenance fees?

Mr Brescia: I believe that's a function of the creation of this new leasehold condominium concept, where the

developer's arrangement is with the condominium corporation, which in turn collects the rent from the individual members.

Mr Sergio: And still under that you will have the option to put a lien on the particular unit; if that is not the case, the corporation would have that option, if you don't collect the dues, let's say?

Mr Brescia: The corporation might, in this case, but I don't believe the developer would because of the way it's arranged, the right that the corporation has.

Mr Sergio: The corporation still has the authority?

Mr Brescia: Yes.

Mr Mike Colle (Oakwood): The one question I have deals with disclosure. I guess in the act as it is now presented there's an intention for more complete disclosure to the purchasers. You're saying you would prefer to have the disclosure limited. I'm just summarizing. I think you're saying that if you leave it as it is in the proposed act, it is too wide and too open to interpretation; it might lead to some litigation because there might be too much disclosure of unrelated matters dealing with property, mortgages on the property or financing?

Mr Brescia: Yes, that's correct. Never, as far as I'm aware, in any other jurisdiction and never in the past in Ontario has anyone been required to disclose their private financial arrangements and things like that. Simply by the choice of the wording, the legislation appears to require every and all agreements pertaining to the property. These are not things that I believe are in the purchaser's interests to know or something the purchaser needs to know. Clearly, we're saying we are happy to and believe purchasers should be disclosed all information pertinent to their decision to make a purchase, but not stemming into private financial arrangements the developer may have etc, things that are really not necessary for the purchaser to see.

Mr Colle: The purchaser is essentially buying into the present status of the building, plus he or she is now a part-owner, you might say, of the whole financial entity. In any business undertaking, which the purchase of a condominium is, wouldn't more disclosure be a benefit to the purchaser? I would think the more information they have, the better it is. Are you afraid there might be too much — I don't see where the litigation potential comes into play.

Mr Brescia: Are you suggesting — I need to be clear on this — that a developer should be required to disclose their private financial arrangements with their bank?

Mr Colle: No. I'm more into the financing and the financial mechanisms dealing with the property they're going to be living in and being part-owner of. I'm not interested in their personal rate of loans etc, but as a condominium owner I would like to know the financial arrangements of the deal on the property. That's what I'm saying.

Mr Brescia: I guess what we're saying is if it's something that's clearly material and important that a purchaser know, we have no issue with it being disclosed. But there should not be a disclosure of private financial arrangements and things of that nature. That would be completely unprecedented.

The Chair: We'll move to Mr Martin, if he has a comment or a question with respect to the presentation.

Mr Tony Martin (Sault Ste Marie): It would be basically on the same issue, this business of disclosure and people needing to know as much as they can about that which they're buying, which may in some instances be the biggest investment of their lives. You want to know everything you can about it that might affect you somewhere down the line. Certainly, a red flag goes up when people begin to get into the personal financial arrangements of corporations, between them and their bankers. I would think things like construction contracts, however, might be pertinent. You want to know what agreements were made between the developer and the people building the facility so that you know that everything is sound and done properly. Wouldn't that be —

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Mr Brescia: I agree. The sentiment I think you're expressing is that you really want to make sure that purchaser's protected and that the building is built. There are a number of things in this legislation to ensure that the consumer has protection, that the building is constructed to a certain standard. There are a number of checks. There's the new home warranty program to provide protection to purchasers.

Mr Martin: But you have that in here as something that should perhaps not be necessary to disclose.

Mr Brescia: There are a bunch of things that are necessary to disclose to the warranty program. We agree that those involve ensuring the building is constructed to a standard are necessary to disclose. The private financial arrangements made with the warranty program — again, it's similar to those made with banks, which are not appropriate for disclosure. The legislation has a whole separate section dealing with ensuring that the building is constructed to a certain standard.

The construction contract itself and the financial arrangements made between a developer and a contractor do not seem to me to be things that are appropriate for disclosure. Again, it would be totally unprecedented to introduce that here in Ontario.

Mr Martin: I'm just trying to imagine under what circumstance it would become necessary for the owners of units to know that kind of information. I guess I'm thinking of the debacle that happened in British Columbia, where whole units began to fall apart, began to leak and all that. Wouldn't you think that in trying to be prepared for some catastrophic development 10 or 20 years down the road, you would want to make sure that the developer, who perhaps didn't do something properly, was in a position to come good for problems that they themselves created because they were negligent or whatever?

Mr Brescia: I hear what you're saying. Given our new home warranty program here in Ontario, which they did not have anything like in BC — consumers here have excellent protection from major structural defects. Something like what happened in British Columbia is not something you're going to see here in Ontario. We have excellent protection for consumers here — that's what the warranty program is all about — and very detailed

reporting requirements of condominium developers who now go throughout the process, and the new performance audit requirement will check it once again at the end of the process. Altogether, you're going to have outstanding consumer protection.

The Chair: Thank you, Mr Martin. That uses up your time. We have three minutes for the government side.

Mr Steve Gilchrist (Scarborough East): Thank you, Mr Brescia. It's good to see you again. We're most grateful for the detail you've put into this. I know this has been a very consensus-driven bill. One might argue, with the level of consultation and the number of times it has gone out to the various stakeholders, that it's perhaps the most consensus-driven bill that's come forward in this Legislature in many years.

I must say, in looking through some of your comments, that they certainly bear further scrutiny. I would suggest to you, though, that in a number of these cases it would appear to be a question of interpretation. For example, let me take you to your suggestion about vacant land condominium disclosure. There is a requirement to have an up-to-date certificate that you would be able to include as part of the presentation, so it would seem to me that unless the municipality ever changes its service, that is the up-to-date certificate once you've made the one request. So while I certainly am not suggesting we wouldn't look at the wording again, I think it stands a logical test that once you've got that information, you could continue to tell every subsequent purchaser that that is the most current certificate.

Mr Brescia: That would be the perfect circumstance, as far as we're concerned. It's just that from our read of it and what our lawyers tell me in reading this legislation, it appears to require it before each and every sale. It's the choice of wording. If it was as you suggested, that would be perfect and we would not have an issue.

Mr Gilchrist: Do you have a question?

Mrs Lillian Ross (Hamilton West): No, mine was the same issue.

Mr Gilchrist: Let me just close by saying that I appreciate the attention you've given to this, and we certainly will give every one of these suggestions and your more detailed one thorough examination before the amendments are put forward.

The Chair: Thank you, Mr Brescia.

CASSELS BROCK AND BLACKWELL

The Chair: At this point we'll ask for the next delegation, which is Cassels Brock and Blackwell. Would you approach the bench and introduce yourself for the Hansard record. You have 20 minutes to either use as you wish or allow members to pose questions.

Mr Roger Gillott: Good morning, ladies and gentlemen. My name is Roger Gillott, and I'm a construction lawyer at Cassels Brock and Blackwell in Toronto. I'm here to speak to you about a very specific aspect of the Condominium Act which relates to protecting the interests of small contractors who perform work on the common elements of a condominium.

I'm just going to give you a bit of background about a lien and how it works. Basically, if a contractor performs work on a condominium or any other building, like installing the concrete in the parking garage or something like that, and they don't get paid, they can register an instrument called a lien on the title to the property. A lien is similar to a mortgage. It means that the contractor actually has an interest in the property equal to the value of the services the contractor has provided and not been paid for.

We have a problem with the current Condominium Act because under the old system of liening there was a paper system in the registry office which involved a paper binder with four sections in it. One of these sections was the common elements and general index. A practice grew up of registering liens for work that was performed on the common elements in this section of the loose-leaf binder.

By the way, I hope all of you have a copy of my paper, which was published in the Advocates' Quarterly, and also my letter, in which I recommend a specific amendment.

The Chair: According to the clerk, all letters were sent to their offices directly, but if you're making a specific reference, I think we should have it before the committee members. Are you addressing that correspondence specifically?

Mr Gillott: I was about to refer to sections in it and just call the attention of the members to sections in my article.

The Chair: It may have been in your information that was forwarded to the office. Is that the one you're referring to?

Mr Gillott: Yes, that's the letter.

The Chair: It's just being distributed. You could probably start to introduce the reference and members will catch up.

Mr Gillott: On the third page of my article, I talk about the old system of registration. I list the four different sections in the old loose-leaf manual. Essentially what has happened is that the system of land holding in Ontario has become computerized, so there's no longer a specific place to register a lien on the common elements of a condominium. The result of that is that if a small contractor performs work on the common elements and he wants to register a lien to protect his interest, to make sure he gets paid, in other words, instead of being able to register the lien in the loose-leaf book, he has to get his lawyer to search every one of the 500 units in the condominium. I mean, there might be 300; there might be 500. It costs \$5 for every search in the registry office, so if you have 300 units in a condominium, there's going to be a \$1,500 cost. Of course, there are going to be legal costs on top of that. It's going to cost a small contractor probably \$1,500, \$2,000, \$2,500 just to register a lien. This is a legal procedure which normally can be done for \$200 or \$300.

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The reason for this problem is that when you perform work on the common elements of a condominium, you're doing work on a piece of property which does not have a

specific place in the new computerized registration system. In the computer, there is a file for every single unit in the condominium, but there's no file for the common elements. Under the old system, there was this section in the loose-leaf book for the common elements, and that's where people's liens would be registered. Under the new system, there's no place to put a lien on the common elements. So the act at the present time, in sections 7(7) and 7(8), provides that you can lien all of the units, and by lienning all of them you encompass the common elements.

The problem is that in your claim-for-lien document, you have to name the owners of every single unit. That means conducting the 300 searches I was just telling you about. What I'm proposing is that we add a section to the act — and I've put that in my letter — section 7(9). For the purposes of registering a lien on the common elements, this section would allow the condominium corporation to be named as notional owner of the common elements. In other words, although the unit owners own the common elements, for the purposes of registering a lien you would just put the name of the condominium corporation.

I should back up a little bit here. If you're registering a lien, it's a two-stage process. The first stage is to register a lien, and the second stage is to start a legal action to get your money back. The Condominium Act already provides that when you start the action to get your money back, you can sue the condominium corporation. You don't have to sue all the individual owners. But strangely, the act did not provide that you can name the condominium corporation as owner as well. So in a sense, the amendment I'm recommending is just mirroring something that's already in the act.

For the first stage, at the moment, you have to do a search on 300 units, get the names of the 300 people and put all of them in your claim for lien. But when you go to do the second stage, you're allowed to sue the condominium corporation. What I'm recommending is that we put in a clause saying that you can name the condominium corporation as notional owner.

This has already been done in Saskatchewan, as I point out in my paper. Page 255 of the Advocates' Quarterly explains that in Saskatchewan under the Builders Lien Act a similar thing has already been done. If you want to just read a very small part of my paper, pages 254 and 255 basically explain the problem and the costs that are incurred by small contractors who perform work on the common elements.

On pages 250 and 251, I explain that the corporation has been used as the notional representative of the unit holders in other capacities. For example, in the case of occupier's liability, the corporation is considered to be the owner. If you go into a condominium, something happens and somebody brings a suit for occupier's liability, the Occupiers' Liability Act allows the corporation to serve in the role of owner even though it doesn't technically own anything. In fact, the unit owners own their own units, as well as the common elements. So the amendment I'm recommending mirrors measures that have been taken in the Condominium Act and also in other pieces of legislation.

I'm going to stop there because the amendment I'm recommending is very specific. I'll open it up for questions to see if anybody has any concerns.

The Chair: The Chair will start this rotation with the NDP. Mr Martin, do you have any questions of the presenter?

Mr Martin: Yes, I do. Thanks for coming this morning.

First of all, what would you define as the common elements in a condominium?

Mr Gillott: The common elements are defined in the declaration of a condominium. It depends on each individual condominium, but typically, they are the parking garage, recreational facilities, if there's a pool, the hallways, and they're also the structural elements of the building, the piping and the wiring. There are also things called exclusive use common elements, like balconies. In a lot of condominiums the balconies are actually common elements, which means that they're owned collectively by the condominium rather than by the individual unit owners.

If you look at the beginning of my paper, the first section is called "How Land is Held Under the Condominium Act."

Mr Martin: Which paper are you talking about?

Mr Gillott: This is the longer one.

Mr Martin: This one?

Mr Gillott: Yes, that's right. If you look on the second page of that, at the bottom of page 246, it says, "Residential units," "Non-residential units," "Common elements enjoyed by all owners," and "Exclusive-use common elements."

Mr Martin: What would a lien on these mean to the owner of a unit?

Mr Gillott: Let's say the parking garage started to deteriorate, and so the condominium corporation got someone to come in and repair it, and then for some reason they didn't pay. The contractor who had done that work could register a lien on the common element, the parking garage. If he sued the corporation because they didn't pay him and if he got a judgment, then each individual owner could pay their pro rata share of that judgment and get a release. Let's say there were 100 units, so each unit owner owned 1% of the common elements, and then let's say the guy got a judgment for \$100. A unit owner could pay \$1 and be released from that judgment.

Mr Martin: This sheds a little light on the previous presenter in terms of disclosure of information and financial dealings etc for me. Thank you very much.

The Chair: Next questioners are Mr Gilchrist and Mr Ford.

Mr Gilchrist: I'll be brief. Thank you very much, Mr Gillott, for your presentation. I have a quick question for you.

I certainly accept that the way you've drafted your suggestion would deal with the issue by making the corporation notional owner. I'm curious. In your own presentation you note that the corporation, as the representative of the unitholders, may be sued. Why not something — it would seem to me as a layman — far

simpler? Simply add an identical section saying you may lien the condo corporation as representative for the unit-holders for any matters arising for the works done on the common areas?

Mr Gillott: Actually, that's what I was trying to do.

Mr Gilchrist: It's just that you go further. Is it necessary to deem them to be the notional owner, or continuing the concept of their agent — I guess I'm looking at it more for the purpose of being no different than I could file a suit with your lawyer, I don't have to serve you directly, in certain circumstances. Is it possible, without giving rise to any concern for the unit-holders that somehow this gives extra property rights to the condo corporation and its board of directors, to simply say acting as its agent it is just as appropriate to serve them with any kind of lien or register a lien against the corporation?

Mr Gillott: Yes, and I'm sure we could reword it that way. I was actually following the wording in section 7(12), which says, "For the purpose of determining liability resulting from breach of the duties of an occupier of land, the corporation shall be deemed to be the occupier of the common elements and the owners shall be deemed not to be occupiers of the common elements."

That's what I was following, but I can understand your concern. Yes, I could probably reword it to get the word "owners" out of there. I can understand what you're saying, that somebody might try to impute some sort of ownership on the part of the corporation.

Mr Gilchrist: That would be my only concern, but I know Mr Ford has questions. Thank you for your presentation.

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Mr Douglas B. Ford (Etobicoke-Humber): I'm just following up on that issue too, because I would say that a lot of condominium owners are simple, ordinary, everyday people, like myself, and I've seen them get involved in some of these contracts. Then the corporation or the construction company goes bankrupt and everybody climbs on board to sue the people who have already put down their money.

My basic concern, following through, is that the people who have put down their money need some kind of insurance for liability, because I know for a fact they'll take the condominium corporation and the owners of these units and sue them collectively, while some poor guy gets in there, or man and wife just put down their money, and all of a sudden they're in court being sued. Now it costs them more money to get legal advice or through the condominium ownership association, and it goes on and on. Still, they have their hand in their pocket down to their ankle trying to pay for all these things. This is what my deep concern is constantly with these.

We were talking to the previous chap looking into the financial structure. I understand where he's coming from, because you just can't reveal everything, but there has to be some insurance or legal system that protects the guy. When he puts his money up here, he expects to get this package here. Instead he puts his money up here and they give him a piece of the package and say, "You owe for the

rest." This is what I'm concerned with constantly in all these deals. It's not that these people are flim-flam artists. It's just that they sometimes get a little too close to the edge of the bridge or whatever you want to call it, or the ledge, and fall off. This is what I'm concerned with, the people who are left who pay for their irresponsibility.

Mr Gillott: Actually, this concern of yours is addressed in the latter parts of the Condominium Act where it says that if you get a judgment against the condominium corporation, each individual owner is only responsible for 0.3% or 0.1%, or whatever, of that judgment, so each unit owner is only responsible for their pro rata share of the judgment. In this amendment that I'm proposing the unit owners would still be protected in the same way as per the existing judgments of any lien claimant.

Mr Ford: Maybe I'm talking about the initial —

The Chair: Thank you, Mr Ford. We've got to move along; otherwise it'll be tomorrow.

Mr Sergio: Perhaps you could give us an example of some difficulties encountered by a trade. I always thought that you would go to the corporation to do whatever, initial contact for repairs or what have you. Usually if it's a contractor who is doing work on the common elements, that contractor would be dealing directly with the corporation itself and not with an individual owner. If there is a contract between the corporation and the carpet people, let's say, there is no contract between the contractor and each individual owner. The contract exists solely with the corporation and that specific contractor. Why, then — this is my problem, because I'm not too familiar with every section of the act — would you have to go and register a lien naming every single owner when you have a contract solely with the corporation?

Mr Gillott: That stems from sections 7(7) and 7(8) of the existing act. section 7(7) says that —

Mr Sergio: I'm sorry for interrupting you, but I couldn't find any clarification in those clauses.

Mr Gillott: The act as it now stands says that if you want to register a lien against the common elements, you have to register it against all the owners. That's what the present act says. You still sue the condominium corporation. When you say that a contractor would have a contract with the condominium corporation, you're quite right. When it comes to register its lien, it has to lien every single unit because the theory of ownership under the Condominium Act is that each person owns their own unit plus a pro rata share —

Mr Sergio: A percentage.

Mr Gillott: Yes. What the act is saying is if you want to lien the common elements, you have to lien every single unit to encompass all of the common elements.

Mr Sergio: This brings me to another question.

The Chair: If you could make it quick.

Mr Sergio: If a particular owner owns a percentage of the common elements, would he have recourse to say: "I didn't sign anything. I was not part of this condominium corporation agreement with the contractor"?

Mr Gillott: I guess there are two issues there. The basic issue is that if the contractor got a judgment against the condominium corporation, I don't think the owner would be able to say that, because under the act it says that they would be liable for their pro rata share. But within the condominium corporation, you'd have to talk to a condominium lawyer about whether an individual can try to opt out of a decision made by the corporation. I'm not actually familiar with that.

Mr Sergio: I guess I'm splitting hairs.

The Chair: Thank you, Mr Gillott. I appreciate the points you've brought to the attention of the committee. That ends your time.

Mr Gillott: I have a quick question. Is there any provision for submitting another amendment along the lines that Mr Gilchrist was requesting? May I send that in to somebody?

The Chair: I believe the committee would be prepared to deal with suggestions. The government and the members do present the amendments as we go through this process, so you can deal with the government or whatever caucus you wish to. The last day of presentations is the cut-off time for amendments, and written briefs as well.

HARRIS SHEAFFER
McMILLAN BINCH

The Chair: Next we're calling on the firms Harris Sheaffer and McMillan Binch. I'd ask you to come forward and introduce yourselves for the Hansard record. You have 20 minutes. You can allocate your time as you wish.

Mr Mark Freedman: My name is Mark Freedman. I'm a solicitor at the law firm of Harris Sheaffer, and Mr David Slan is with me today from McMillan Binch. I'm a lawyer practising exclusively in the field of condominium law since 1981. I act for developers, condominium corporations and financiers. I've registered in excess of 200 condominiums in this province and have drafted many disclosure statements, as Mr Martin was speaking about to the previous individuals. I've drafted in excess of 200 of those disclosure statements.

The material that we are going to refer to today is the material that Mr Brescia provided to you this morning at 10:30. Mr Slan and I both sat on that committee with the GTHBA. We are also members of the Canadian Bar Association of Ontario committee with respect to their submissions.

At the outset, we would like to say that, in general, we think Bill 38 is a good bill. It contains many well-intentioned initiatives, and some of them work very well. For example, the removal of the phantom mortgage, which was a legal fiction created, and the introduction of priority for commercial condominium liens are excellent initiatives and have been drafted in a terrific fashion. We applaud the government and this committee for those initiatives.

However, many of the innovative concepts, no matter how well intentioned, are flawed, and the flaws are simply in the drafting. We're trained as lawyers and we look at

these initiatives on the basis of what will happen down the road. We're very concerned about some of them.

I would like to take a moment to address the disclosure statement that Mr Brescia talked about earlier today and the questions that were raised. The problem with the disclosure statement and the wording is that it states that all documents relating to the property must be disclosed. What that will result in is non-disclosure disclosure, because the disclosure book, which now can exceed 75 to 100 pages, could well exceed 200, 300 or 400 pages, because now what the government is asking to be done is to disclose every single document relating to the property. If you're doing a condominium down on the waterfront there are federal agreements that are hundreds of pages long.

The intent, as I understand the legislation — I've been involved in the changes to this act since 1986 when it was first started with previous governments — was to disclose those items that would influence an individual with respect to their purchase. Would I purchase or would I not purchase, based on the information that I was given? It's that information that should be presented as part of a disclosure statement. The only change that we're requesting with respect to that is the wording changes, wordsmithing, if you will, that is in the brief we presented to you with respect to a disclosure statement.

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What we want on behalf of GTHBA as lawyers, as Canadian Bar Association of Ontario members acting for developers, purchasers, vendors, financiers, is certainty. We have had and received certainty over the last 15 years based on case law. In fact, this government has introduced some of that certainty into the legislation with respect to material change by adopting Mr Justice Robins's decision and the wording he stated as to what constitutes material change. We think that is a great step forward.

We are looking then with respect to the disclosure statement to make the small changes we've requested so that the disclosure to the individuals will be true disclosure; that they will get the information a purchaser needs in order to make an informed decision with respect to buying a condominium. That does not involve information relating to a developer's contractual requirements with all their trades and subtrades. You wouldn't do that in a single family freehold home. There's no need to do it in a condominium. You wouldn't do it in a freehold townhouse project. If the project becomes a condominium there's no need to give it there. I strongly recommend you look at that.

The other issue I wish to talk about is significant change. My concern is that the government has introduced this new concept of significant change and there's no definition to it. We don't know what it is; we don't know what problem it's supposed to solve; we don't even know why it was introduced. Rather than correcting a problem, significant change creates a significant problem and our recommendation is that significant change be deleted from the bill. If the concept of significant change in subsections 75(3) and (4) is not deleted from the bill, I don't think we

should call this bill the Condominium Act; I think we should call it the unemployed litigation lawyers' relief act because by introducing significant change it is effectively going to create uncertainty, set us back significantly and create untold litigation.

What I will do now is turn this over to David so he can talk about transition and the transitional provisions. Then we will be available for questions.

Mr David Slan: Good morning. My name is David Slan. I'm a lawyer with the law firm of McMillan Binch and I practise exclusively in the area of real estate law with a significant emphasis on land development. As Mr Freedman mentioned, I am also a member of the GTHBA/UDI committee which examined Bill 38. I also sit on the executive committee of the real property section for the Canadian Bar Association of Ontario.

As you know, there are various sections included in Bill 38 which deal with transition, and in the area of condominium law transition is extremely important. We feel that the drafters have included some very good provisions regarding transition and taken us part of the way to where we need to go. But it is clear that transition was not given a priority, as the provisions are lacking. We could talk for hours about the transition rules and give you much detail on these issues, but we've set that out in the brief that Mr Brescia provided to you earlier. When you have an opportunity to look at that brief, the transition provisions are at pages 36 and 37, section 181 of the bill.

Generally, a problem will arise where a condominium unit is sold prior to Bill 38 coming into force but the condominium itself is not registered until after the bill has been proclaimed. The problem we think is twofold. First, consumers could potentially be harmed by unscrupulous developers who take advantage of any gaps or missed issues between the existing legislation and the proposed bill. Second, developers could find themselves in situations where they've complied with the existing legislation at the time they went to market, but on proclamation the documentation they've provided to their buyers and the disclosure they've provided may not be in compliance with the new legislation.

If there were a downturn in the market as there was in the late 1980s and early 1990s, purchasers could use this lack of transitional rules to avoid agreements entered into in good faith by both parties in compliance with existing legislation even where, as I say, the agreements were entered into based on the legislation in force at the time the agreement was entered into. The new legislation could cause a problem there if the transition rules aren't altered.

The condominium is a significant part of the real estate market and we feel that as the population ages it's going to become an even more significant part of the market. By creating uncertainty, developers and lenders are going to be reluctant to build condominium projects as readily. We feel this is a significant issue.

We hope we've provided you with a useful overview of these two issues: significant change and transition. There is obviously much more detail in the report, which we encourage you to review, and we'll be happy to answer any questions you have.

The Chair: Thank you, Mr Slan and Mr Freedman. In rotation, we'll limit it to one question per caucus, as quickly as possible.

Mrs Ross: Thank you very much for your presentation. I want to say that we have heard from many people on the issue of significant change and it is definitely an area that we're looking very seriously at changing.

I want to ask you, though, about the disclosure. You talked about non-disclosure as disclosure. Do you feel that there are areas where people buying condominiums could and should have better disclosure than they've had in the past?

Mr Freedman: The problem you have at the current time with respect to disclosure is that solicitors who draft these documents and understand the Condominium Act provide full disclosure. It's those solicitors who dabble in condominium who don't, and that is a problem. It's a problem for our profession and it's a problem for condominium. Condominium is very complex, as you all know. I can tell from some of the questions here that the concepts are not that easy.

We think that some of the things you've done in the bill with respect to disclosure are fine. We've had discussions with the ministry and advised them that there are certain things we think you've omitted. We think you've put in some things that shouldn't be there and left out things that should have been. We've made those submissions to the government and we hope they will be acted upon.

The problem you have sometimes is that you go to the lowest common denominator in trying to make changes to legislation. I look at it in terms of a glass table with a fly and you take a sledgehammer to kill that fly and you miss the fly and break the table. In my humble opinion, that has happened in some of the cases with respect to this legislation. Especially based on the consultation process that has gone on, I think it's terrific that all parties have been listening to all the stakeholders. Unfortunately, however, you have to look at the broader picture and we can't be all things to all people.

With respect to disclosure we hope you will look at the initiatives. If you look at what has happened over the last 20 years with what we've had, there really has not been a problem. The largest amount of litigation occurred with the downturn in the market where people tried to get out of their transactions because the values of the units dropped significantly, not because they didn't obtain proper disclosure. In fact, litigation took place, and Mr Justice Robins's decision in the Court of Appeal case was that these people did get proper disclosure and that these disclosure statements were proper.

We really haven't had a problem in that respect. The fact that you've codified some of the things that we've asked for, we agree with. But right now it's too broad and effectively what's going to happen is that in order to protect our clients, we're going to have to put in everything including the kitchen sink. By doing that it's going to be meaningless to somebody because they're not going to understand it at all.

Mr Slan: If I could follow up on that, just an anecdote.

The Chair: Just briefly, if you could.

Mr Slan: I recall when I was in school that professors used to say to us: "I'm only giving you 50 pages to read rather than 250 pages because I want you to read them and read them well." If we focus the disclosure and make the disclosure statement a readable, usable document rather than a construction contract — I don't see a typical purchaser reading through a construction contract and he would be scared off by reading the document at all.

The Chair: It seems rational.

Mr Sergio: Thank you. I certainly don't want to have the impression that you're trying to make it more difficult for a purchaser to understand the bunch of documents, bylaws, declarations, whatever he gets upon signing. Can you, Mr Slan, clarify the transition between the old and the new, how it would affect a prospective purchaser of a condominium unit?

1130

Mr Slan: I think the idea is that were a disclosure statement issued under the existing legislation and two months later the act was proclaimed and the act caused changes in the condominium, that could result in a change to the disclosure statement, which, if solely as a result of legislative change, would afford that purchaser a right of rescission at that point, solely based on the new legislation, notwithstanding that the parties agreed it was a condominium to be constructed pursuant to the prior act. I think that will cause a problem for purchasers and builders alike.

Mr Sergio: Can I jump in and —

The Chair: Thank you, Mr Sergio. I just want to make sure we move along because — you'll see. Mr Martin.

Mr Martin: Just going back to the issue of disclosure and the picture that's being painted, that maybe it's too much paper, when you end up in front of the courts, you want everything you can get your hands on if that should happen. It has not happened. I guess we've had a pretty good track record in Ontario up to now. The problem, though, is when you look at other jurisdictions and some of the catastrophic unfoldings, and then the cost to individual owners of units and all of that, and when you listen to the person who came before you, talking about the liens that can be put on individual owners, common elements etc and how complicated that all gets — I guess in the initial purchase you just want to get it over with. Nobody wants to think that they'll need all this information, but who knows whether that may not happen down the line.

I'm reminded by somebody that apparently there was a condominium in Richmond Hill that fell apart that created some difficulties. I think those people would probably want as much information as they could get their hands on in order to either protect themselves or get what they rightfully are due.

Mr Freedman: I agree with you to a certain extent, but to a certain extent I disagree with you. First of all, you are mixing up a few things with respect to the previous speaker and construction liens. That's a very specific technical issue that deals with nothing to do with disclosure,

nothing to do with pre-condominium. It has to do with a condominium corporation contracting to have work done to the common elements and then refusing to pay that contractor. That's all it relates to. If the condominium corporation contracts with somebody to do work and pays them, it'll never happen. It's a very specific situation. It has nothing to do with disclosure of a condominium.

With respect to the catastrophic issues that have happened outside of this province, that's correct, they have happened. They haven't happened in this province, and I think they haven't happened in this province because the legislation we have with respect to the Ontario New Home Warranties Plan Act and the Condominium Act has served us very well. The legislation they have in those provinces has not served them very well.

The previous governments, your government, this government and even the NDP government, have done various things with respect to legislation and have caused owners of condominiums in this province to be, I think, the most protected. I practise in the States as well. You would be surprised how well — and people look to Ontario, with respect to our legislation and with respect to what we do. With all due respect, I don't believe we have the same problems.

What I think we are doing, though, is creating problems that don't exist. My understanding of the purpose of the legislation is to solve problems, not to create new ones. I hope that by looking at some of these changes that we've put forward, which are wordsmithing, in our opinion, they will go a long way to making this bill a much better bill than it is today.

The Chair: Thank you very much, Mr Freedman. We're way off schedule. I appreciate your very technical input.

PEOPLE'S ANIMAL WELFARE SOCIETY

The Chair: At this point, we'll call the next presenters, the People's Animal Welfare Society, if they come would forward and make their presentation to the members of the committee.

Mr Dan MacDonald: My name is Dan MacDonald. I'm the president of PAWS. We're a totally volunteer organization. No one is paid.

I had very short notice for this meeting, so I went through 25 years of notes that I've been writing and talking about with Queen's Park regarding condominiums. I'm not as well organized as I would have liked to be; however, the letters that I have sent through I think contain the information very correctly.

The distress and financial hardship that has been, and is being, imposed on responsible families with well-behaved pets by needless pet evictions cannot be justified. Yet this abuse of power has continued year after year because it was easier to allow than prevent. Twenty-five years ago in Etobicoke a senior couple with a dog sold their home and moved to a condominium with the promise they could keep their pet. Three weeks after moving in, they received

notice to get rid of the dog. This was our first experience with condominium pet problems.

Later, a woman bought a condominium on Grandravine with a promise she could keep her small dog, Kika. But even with majority support in the building and an affidavit from the Supreme Court of Ontario that showed that keeping Kika was a verbal part of the purchase agreement, her small dog was evicted.

A man in a wheelchair, a senior with Chien, his small poodle dog, purchased a condominium while it was under construction so he could have grab bars installed in the washrooms, as well as wider doors and carpets for wheelchair use. This senior couple had a letter from their doctor stating that the dog was a medical need and a promise from the sales agent that keeping their dog would not be a problem. However, after moving in they were taken to court and given 90 days to remove their dog from the building. In addition to the terrible suffering imposed, they lost thousands of dollars.

A Scottish terrier called Mactavish was one of the lucky few. When the Dixon Road Condominium Corp took legal action to evict the small dog, Judge Howland ruled they could pass laws against troublesome pets but they had no right to indiscriminately outlaw all pets.

The hardship imposed on such families, only because the Condominium Act allows it to happen, is morally wrong. It makes no sense and it cannot be justified. Yet it continues while those in government responsible for the Condominium Act have been looking the other way. The Condominium Act must be amended to protect responsible families with well-behaved pets, for many reasons. The health and social benefits of pets are indisputable. Dr Levinson found that pets, particularly dogs, can prevent children from becoming delinquents. Dr Corson's study on pets showed that they help to lower stress. Dr Freidman's study on pets showed that heart patients with pets have a greater survival rate. Pets benefit people of all ages.

Many studies show the benefits of pets, while our experience shows that keeping a pet is generally not very difficult. Number one, the population of dog owners in high-rise condominiums is very small. We believe it probably represents no more than 5%, and in some cases less, and many of them are small dogs.

Allergies have been one of the main anti-pet arguments, but most allergens in a home are not pet-related. Cleaning fluids, plants, perfume, carpets and insulation can be a problem. Airborne allergens will not be easily transmitted from one unit to another. A dog in one unit is not likely a problem for a neighbour, simply because the design of air conditioning and ventilation systems provide air to individual units where it is either returned to the system or exhausted through bathroom or kitchen exhausts.

The declaration section should not be used for lifestyle regulations. Changing the vote from 100% to 80% will not solve the problem. The declaration section is more for something that's rigid. You've got property lines. You've got the size of units. You've got the number of units. For something like this, the declaration is fine, but when it comes to whether you can have a pet or can't have a pet or whatever, it's simply too rigid. It's no good.

1140

Miscellaneous items such as condo pet rules must be clear and well defined. Legalese opens everything to several interpretations. Everybody gets in. We hear a lot about the "framework concept." I don't know what a framework concept is, I don't know how many people would know what a framework concept is, yet letters I receive from Queen's Park regarding condominiums do refer to a framework concept.

Then we hear about "buyers, beware." That's a good one. What it does is it shifts responsibility from the lawmakers to the first-time buyers. That's no good. That's pretty easy, but it's not good. Condominium rules must make condominiums less like an institution and more like a home. They'll be a lot more popular if this happens. I'll tell you right now, there are a lot of first-time buyers who wouldn't be a second-time buyer.

Pets are not a disease problem. A call to any board of health or any major hospital with a simple question, "How many people are getting sick or dying from pets?" and you will find that they are one of the safest things on earth. There are some problems that we hear about in the news media, and in some cases it's not the pet's fault at all. But in any case, even considering them, if you take the percentages, they're very, very small.

Another thing is that the bond between people and animals is growing. This is something that's not going down, it's not diminishing, it's growing. You can go into any school today and talk to young people and see how many of these young people don't like pets, are against pets, are anti-pets. They're not. Very few will be. This is the change. Ten years has made a big change. It's happening all over. You take as an example the Fido ad. As soon as I saw the Fido ad, I could see success. This is a great idea.

The existing act allows corporations to make any kind of rules they wish. Anything goes. We hear about dogs not over 25 pounds. I had a dachshund. When I got him first, he weighed about 20, and by the time he died at 13 or so, he was about 40 pounds. He simply put on weight. What do you do while he's putting on all this weight? How do you get rid of him? The next thing is, you get pets on first floors only. There was one condominium, I think it was on Grandravine Drive, "Pets on first floor only."

I got a call from a real estate person recently. A couple were moving, I believe, from the west coast to Toronto and they had a dog. They arranged with a real estate to arrange for a condominium. The real estate person was quite happy to do this and made the arrangements. But before they got here, they had put through this famous grandfather clause saying, "All the pets here are fine; no new ones." So this man who was coming into Toronto with his dog couldn't live there. No new dogs. It seems so ridiculous.

Housing pet rules must be harmonized. This is totally, totally important. The Condominium Act must be revised so that pet laws and regulations will be harmonized and compatible with all types of multiple housing, so owners and renters will be equal and fully protected under Ontario

laws. It is very important that Ontario pet owners can move from city to city, from a rented apartment to a rented condominium, in search of employment or for whatever reason, without killing or disposing of their beloved pet companion.

This I think is so utterly ridiculous. Today, with employment scattered, you may have to go to Barrie or Kitchener or God knows where, and when you get there and start looking for a place, what do you do with Fido? Nobody wants Fido. He's a good dog, he's not causing any problems, but the rule says no.

I've read literature that came in from the States — I actually get newsletters from many places — and I was reading about one apartment building where they really went out and advertised "Pets are welcome" right from the start. What happened was they simply filled the apartment building with very responsible people, excellent people, and the pets were no problem whatsoever.

Before Bill 225 was passed on June 28, 1990, making pets legal in apartments, we heard all kinds of rumours that terrible things would happen: "You'll have wall to wall dogs if this goes through." Now we've had eight years of Bill 225 and the only thing that has happened is that people have greater security than they ever had before and it brought harmony to the community. So this is what happens.

I think developers and condo corporations probably started wrong, because in the beginning the designs were for empty nesters. It was supposed to be almost a place where you'd hang your coat and head off to Florida. That has changed. Number one, a lot of condominiums today are rented.

Right here there's an example. I know your time is tight. We talked about Kika on Grandravine. Here's a picture of him in the Toronto Sun, and a nice little item that goes with that. We talked about the man in the wheelchair. That's in the Toronto Star. There's the man in the wheelchair. We talked about Judge Howland. This is Judge Howland. This is a Toronto Star item, "1,400 Dogs Died Before Pet Reprieve," and down here it says, "But he said the corporation had no right to pass a bylaw indiscriminately outlawing all pets." This is dated April 14, 1975. Here's Pimpek who was written up in the letter I sent you people. Here's a picture of Pimpek with his young family. He was evicted for no reason. Here are the details. It cost them \$18,707.79 to try to keep Pimpek. The dog was no problem. You can see he was a pal of the children — no problem.

Can anybody tell me or justify why the Condominium Act has allowed, for years and years and years, under several governments, to simply take well-behaved pets from responsible families, where there have been no complaints, where people were hurt, and hurt badly, financially and otherwise. I will challenge anybody right now to justify, before the public, taking well-behaved pets from their responsible families if there are no complaints.

The Chair: Thank you very much, Mr MacDonald, for your very impassioned presentation and the information you provided for committee members. There's no time left

for questions but the committee is certainly in receipt of your information. Thank you very much for your time.

Mr MacDonald: No questions then?

The Chair: No. We enjoyed your presentation.

RICHMOND HILL ASSOCIATION OF RESIDENTIAL CONDOMINIUM OWNERS

The Chair: I'm calling on the particular group now which has been allocated 10 minutes, the Richmond Hill Association of Residential Condominium Owners. Would they come forward, please. Would you state your name and whatever else for the Hansard record, please.

Mr Abe Gamus: Let me introduce myself. My name is Abe Gamus. I represent the Richmond Hill Association of Residential Condominium Owners.

With regard to Bill 38, during 1966 I sat on the government-appointed committee as a stakeholder representing the Richmond Hill and Markham condominium associations to rework the existing Condominium Act. I'm sure you are aware that this committee had representation of all parties on it, often with conflicting interests. Included were representatives from condominium owners, developers, management companies, the bar etc.

Bill 38 as you have it today is a result of what the NDP government started about 10 years ago, put into final form by our current government. Having been involved in this bill's formulation and having borne witness to the discussions in committee, I must commend the minister, the Honourable Jim Flaherty, who chaired the meetings and was able to meld the sometimes conflicting views of the different stakeholders into a unified consensus acceptable to all. I would also like to mention Peter Ross and Charles Finley of the ministry who offered their considerable knowledge and did the legwork in drafting this bill, and, of course, the Honourable David Tsubouchi, who was given the task of tying the loose ends, which he did admirably, and finally bringing it to the Legislature.

Now that the niceties have been said, which, by the way, are honestly felt, we come to the subject at hand, Bill 38.

There is no doubt that Bill 38 is not a perfect bill — it isn't — but it is a vast improvement compared to what we currently have. Of course, we can continue working at it until it becomes perfect, but what would that really accomplish? Nothing, except to keep on relying on an existing act with serious imperfections, which for the most part have been corrected by Bill 38. Much of what is new in Bill 38 has existed since the Rae government. Can we wait another 10 or 20 years in order to more closely reach perfection? Absolutely not.

We have reached consensus among the stakeholders. We must accept the bill. We cannot delay further. Currently, over 30% of condominiums have almost nothing in their reserve funds and are unable to perform needed major repairs. Another 30% to 40% have shortages of various degrees in their reserve funds. Bill 38 goes a long way to correct this major problem. We cannot wait even a year or six months to have this act proclaimed into law.

We recognize that there are a number of special interest groups each wanting changes that mollify their self-interest but who recognize that accepting their requests now just might destroy the balance and consensus among all parties which the Condominium Act committee achieved.

Any piece of enacted legislation is a living thing. Its existence does not mean it can't be changed as time progresses, and as time progresses, changes and amendments will surely be made to further improve the legislation. We cannot hold back on what we have now. Let's get on with it, adopt it and, in the time ahead, work on amendments where necessary to improve it.

I thank you for giving me the opportunity to present this to you.

The Chair: I'm at the pleasure of the committee. I know we had slated 10 minutes and, according to my watch, we have a couple of minutes left, so if there are any particular points or questions, keep them very brief. We have two minutes left.

Mr Sergio: Very quickly, you say it's not a perfect act. What would you like to see to improve the bill? You wish to accept it the way it has been presented now. You say this is not perfect. What would you like to see included there?

Mr Gamus: There are a number of small technical changes that I'm sure can be made to the existing bill that will not cause any friction between the parties or cause any dislocation of the will of the parties.

Remember, this was a consensus of all parties when we had the committee meetings. A lot of things were hammered out, with various conflicting views when the process started. No bill is ever perfect, nothing is ever perfect, but sometimes we have to say, "It is good enough, far better than what we have," be able to proceed and make amendments as time goes on.

Mr Sergio: You don't have one specific thing that you could suggest to the committee?

Mr Gamus: No, not at this time.

The Chair: Mr Martin, there's a minute or so.

Mr Martin: I appreciate all the work you've done, and others have done, to get us to where we are today. The comments earlier on disclosure, just your response.

Mr Gamus: On disclosure, many people will not understand what's given to them. They will rely on experts in the field to be able to give them advice on any particular subject. My feeling is that disclosure, if it is there, must be complete. If the purchaser cannot understand what is in those documents, he should be able, and has the right, to seek expert advice. Once you start in any field saying, "We do not need this document or this document," then this becomes open to interpretation. Various people will interpret it in a different way and, before you know it, the necessary documents required for a person to make a proper decision will not be available.

The Chair: Ms Ross, do you want to make a comment?

Mrs Ross: I just want to thank you very much for your participation in the process. It's taken us a long time to get to where we are and we do appreciate your work.

Mr Gamus: Thank you very much.

The Chair: This committee stands adjourned. We will reconven here at 3:30.

The committee recessed from 1156 to 1542.

ASSOCIATION OF CONDOMINIUM MANAGERS OF ONTARIO

The Chair: The Chair makes apologies for any delay. We'll start off as quickly as possible with the Association of Condominium Managers of Ontario. Would you declare your name for the Hansard record, please.

Mr Bob Gardiner: My name is Bob Gardiner. I'm a managing partner of Gardiner, Blumberg, and I'm here today to speak on behalf of the Association of Condominium Managers of Ontario. During the past 22 years, I've acted for over 200 condominium corporations, and I'm the chair of several legislative committees. I'm here today as a member of the ACMO legislative committee.

Joining me today is Mr John Oakes, the executive vice-president of Brookfield Residential Management Services. They represent about 25,000 condominium units. He's the chair of ACMO's legislative committee and is ACMO's past president.

Also present is Mr Andy Wallace, president of Wallace, McBain and Associates Ltd, a property management firm. They manage over 60 condominium corporations. He's the past president of ACMO, a member of its legislative committee, and he has written a book on condominium law and administration and teaches condominium property managers at Humber College.

ACMO is the only association in Ontario that deals with condominium managers. It has over 500 members, and they manage a majority of the condominium units in Ontario. It has a rigorous college accreditation program, granting a registered condominium manager degree, and has an excellent educational magazine called Condominium Manager. They've always been involved, in the past, in any Condominium Act amendments.

Managers are at the front line. They're there every day when a lot of different kinds of problems arise. We have governance problems, management, administration, staff problems, various kinds of real estate problems, a huge number of political issues that go on and many other issues dealing with reserve funds, maintenance and building deficiencies, for example. They manage budgets of up to \$4 million a year. It would be typical to have a budget in the range of \$700,000 to \$1 million.

Condominiums are mini-municipalities and, like small businesses, they have crucial issues that have a very wide range. We have a lot of strife in our condominium communities. It's not uncommon to go into a meeting where there's a lot of bickering, shouting, libel, slander and all that sort of thing. It's happening right in our own home, so as politics, it's very close to things. If we do a special assessment because some developer did poor construction, which is often the case, and we're telling people they have to pay \$5,000 to \$15,000 out of their own pockets, we get a lot of strife happening at our

meetings. I've had a gun pulled on me, for example. It's important that we get these governance provisions right.

The Association of Condominium Managers has combined with the Canadian Condominium Institute to do a joint set of recommendations. We've given you our brief. We know it's a long one, and we know it's difficult to read the whole brief. We've done an executive summary as well. Our executive summary has a lot of points in it, but it's important to recognize in that summary that was fought out with about 12 to 15 lawyers and managers who are the leading experts in the industry. They're all well-acknowledged people who lecture from 30 to 100 times and that many articles, and they're usually presidents of various organizations.

We wrote it in terms of the legislative drafting that we think is proper to deal with the problems that are there. There's a lot of accumulated wisdom and experience and a very rigorous process of an ACMO rep and a CCI rep, each beating up each section and coming to the main group, beating it up as a group and then beating it up again for the final draft. We really did it in a way that has wide industry acceptance for the people who are actually involved in the governance of condominiums on a daily basis.

In our executive summary, we have listed the various issues with (a), (b) or (c) at the end, or it might say "technical" at the end of each subsection. That was an extremely rough way of rating things. You're going to see that there are some issues there that are going to be crucial to us and yet they're marked "technical." That's because there are a bunch of technical things that we can't believe you won't fix up. They're just glitches or wording changes. There are many issues that obviously have to be fixed up. The (a), (b) and (c) items are the types of items that we'd like to see fixed. Even if you see a (b) item, it's probably an (a). We're concerned about those.

In view of all the complexities, then, we thought it was important that all the leading organizations in the province that do this on a daily basis should get together and try to focus on a common point.

Because there are such a massive number of changes in Bill 38 — and there are a lot of great improvements, we really appreciate them, and we certainly want the act to be passed. We just would not like to get into more trouble with some of the glitches. We hope you'll accept our collective wisdom on that.

I think we'll get into some specific points. I'm going to start off. In a way, I'm referring to the executive summary. I'm going to skip through it, and just to show you what great guys we are, we'll go to the bottom of the first page, 4(2), "Rights of tenants." We're in favour of rights of tenants. We just don't want tenants to act contrary to the declaration bylaws and rules because, if that happens, an amazing amount of havoc can happen in a building, a great degree of conflict. Tenants should have all their rights protected, but the way the section is drafted indicates that they can act contrary to the declaration bylaws and rules. That would be a big problem.

Jumping down to 7(2)(h), that has to do with providing facilities. A declarant shouldn't be able to charge the condominium corporation for its own common facilities, such as visitor parking, that are required by law. We're trying to make a point about that.

Another big item is in section 9(5), which deals with conversions. If you're converting from, let's say, an apartment building to a condominium, huge problems can arise, causing hundreds of thousands of dollars worth of building deficiencies. It's a great way to take an old building and turn it into a condo and dump all the problems on purchasers who could never, ever figure out what the problems were until three years down the line when they're dipping into their pockets and coming up with \$5,000 or \$15,000.

1550

The approval authorities need to be required to do a technical audit engineering study and to do a reserve fund study. The declarant who is switching over must rectify the building deficiencies and must fund the reserve fund or else he's going to be ripping a huge profit out and dumping it on poor, unsuspecting people who could never figure out what those problems were.

In section 12(1), we're talking about service easements and where an easement goes through the common elements and the unit owner wants to benefit from a service easement. It should be subject to the approval of the board of directors, which shouldn't be unreasonably withheld. That will avoid a lot of abuses to other neighbours.

In section 15(5), there should be a tax exemption for common facilities, which, if you think of it, are the same as common elements. You have units in condominium corporations which are shared, such as the recreational unit, the gatehouse or mechanical units. They're actually units, and they're often set up that way, but like all the other common elements they should be exempt from paying tax, because all of the unit owners are already paying tax through their units. That was just a little glitch that should have been fixed.

In section 19, "Right of entry," there should be the ability for corporations to not have to give notice to owners when they want to enter the common elements to, say, cut the grass on the exclusive use common element. The way it is right now, the corporation would have to give notice just to go in and cut the grass that they have an obligation to cut. That's silly.

There are a number of provisions on telecommunications services in section 22 where there could be rectification. For time purposes, I'll defer this to when Rudy Fliegl and John Deacon speak about that.

In section 22(14), a major issue would be to make sure that there is a provision in the act that allows for billing to be on an individual basis for TV and other communications services. They should not be common expenses in every case, because people take much higher services in some cases than the general norm, which is bulk-billed. People who have extra services should be entitled to have

them but they should pay their own share, not on a common expense basis.

In section 23, there are problems about the types of actions a corporation can bring. They should be able to bring other types of actions and proceedings, many proceedings that we would get involved in. They're not covered there. They should also be able to have any other kind of release as well as damages, and the types of causes of action should be increased.

When notices of the action are given to owners, in section 23(2), there should be some restrictions that you don't have to involve them in every little action that's going on. It's really intended for the serious actions, not for Small Claims Court issues or when some of the other sections of the act are being enforced.

Before I turn to Andy Wallace, I will just mention also section 26, about occupier's liability. Owners who occupy some exclusive use common elements should be required to comply with an occupier's liabilities; they shouldn't be foisted upon the condominium corporation. They should be responsible for payment of any amounts that arose as a result of their occupier's liability. It shouldn't be foisted upon the other condominium owners. It should be something that the corporation can put a common expense lien on for as well.

I'm going to ask Andy Wallace to carry on for a few more sections and talk about directors' issues.

Mr Andy Wallace: Good afternoon. I'd like to look at section 28(2), notice of candidates. We recommend the deletion of this section, since non-directors will not usually be aware when the annual meeting is being called and this gives the existing directors a better chance at re-election.

Notice of owner-occupant position: Delete section 28(3) and section 51(6) in order to remove the concept of election of one director to the board by the owners of owner-occupied units. This protection is unnecessary since resident owners will almost always elect a resident owner to the board and this provision will cause burdensome administration and further disputes at meetings.

One of the top issues is this one related to re-election. We'd like to see this provision deleted, requiring a director to step down if he or she has held office for six consecutive years immediately preceding the re-election year. This provision is very unpopular and will cause a loss of the best and most experienced directors in most cases.

As Bob indicated earlier, we've looked at condominium corporations in many a municipality, and I really don't think that restriction is on municipalities or any forms of government. Quite sincerely, I have two corporations at the moment that are unable to obtain a full slate of directors. This could end up with my having no directors in some corporations.

Removal of directors: Clarify the wording by referring to "affirmative votes by the owners of more than 50% of all the units of the corporation cast in favour of removal of such director." This will clean up the problems we've had

in the past of whether it's a majority of the owners or a majority of the owners at a meeting.

Liability of directors: Officers should avoid liability for breach of a duty on the same basis as directors and should therefore be referred to in subsection 37(3). We have a couple of boards where the officers are not members of the board; they have been appointed by the board to act on their behalf.

Indemnification: Representatives appointed by the board to a committee may not be directors or officers but they should also be indemnified. Remove reference to "executors, administrators" and instead refer to "estate trustees." This is technical.

Section 40(9), non-compliance re disclosure: Subsection 40(8) says that disclosure compliance is OK. We need a provision that says that non-compliance with disclosure requirements makes the director or officer accountable for damages suffered by the corporation and any profit from the transaction or contract. Moreover, the contract or transaction should be voidable at the judge's discretion.

Mr Gardiner: I'm going to talk for the last minute or so.

The Chair: You have about one minute left, if you could wrap up.

Mr Gardiner: OK. I'm going to hit two provisions. Section 43(1) is about turnover meetings. Theoretically, people think the owners are running the corporation, but that's not what happens a lot of the time. The best declarants will make sure that the owners take over control of the board of directors. The declarants we have most trouble with are the ones who make sure they maintain control and don't let the owners take over control at the turnover meeting. In section 43(1), the important point to avoid rip-offs is to let a majority of the owners be the directors on the board at the time of the turnover meeting.

Another important section is section 44, on performance audits. That's the engineering study that's done in a new building. It has been severely limited from the current practice, and it's going to cause millions and millions of dollars worth of costs for owners, because these performance audits don't cover the negligence aspects; they only cover those very limited aspects on warranties, which we have little respect for in the industry. There is so much that has to be done. Under 44(c) of our brief, we hope you'll look at covering negligence claims, which have much better recoveries.

Section 44(5)(a) limits the scope of performance audits. We say they should do the usual, which is to inspect all the components, not just that little list. There are a lot of other things that are problems.

I'll stop there, but I'll just say that we have quite a few other points. The CCI branches would also like to speak. They'll follow through, and we will concur with everything they say.

The Chair: Thank you very much for your very comprehensive presentation. I'm sure members and staff

will have a look at this and address your issues in the amendments that will be brought before the committee.

1600

CANADIAN CONDOMINIUM INSTITUTE

The Chair: I will call on the Canadian Condominium Institute. You have 20 minutes to make your presentation, and you can divide the time as you see fit.

Mr George Barycky: Permit me to introduce myself. I am George Barycky. I'm here representing the Canadian Condominium Institute, which is commonly referred to as CCI. My background is that I'm a condominium owner, have been since the mid-1980s. I am the president and a director of my own condominium corporation, which is a high-rise in Mississauga. I've held that enviable position since the mid-1980s. To boot, in my spare time, I practise law and have been doing so since 1973. I have been involved in the condominium industry since that time through former partners of mine, one of whom wrote one of the very first definitive texts on condominium law.

I'm speaking today on behalf of the Canadian Condominium Institute. CCI has been very active in the Condominium Act. Members of this committee will know that much of the wording in the amendments that came to the act and the history of this current bill has been — and I don't want to be terribly presumptuous — drafted to an extent by submissions from CCI.

In submissions on this bill, we have joined forces with the Association of Condominium Managers of Ontario, ACMO, which you heard from just before me, and we've done a joint submission to you. Numerous hours and efforts have been expended on this preparation, all on a voluntary basis. CCI's input has come by way of its chapters in Ontario. It has chapters in Ottawa, the Golden Horseshoe, London and the greater Toronto area, and collectively it represents over 55,000 unit owners. So we speak with authority and knowledge on these issues.

CCI itself has conducted a definitive survey of its members and presented that to the former parliamentary assistant, Jim Flaherty, now Minister of Labour, which gave CCI the authority to speak on the amendments and address the issues in the bill which you see before you in the recommendations. We have credibility when it comes to the suggestions that are going to be made to you.

CCI, I think everybody is aware, is the definitive leader in the condominium industry as far as the education of directors is concerned. There's rarely a condominium where you won't find a director who has not attended a CCI director's course. It's a seven-week certificate course intended to permit directors to fulfil their duties and functions in condominiums and unit owners to realize what their obligations are.

I'm going to delve right into the recommendations and continue on where Mr Gardiner left off at section 46, which you might want to follow on page 31 of the combined recommendations. Section 46 deals with owners non-compliance and it deals with requisitioning of meetings. Our recommendation in this section is that the

existing wording doesn't limit the period of a requisition. It says that if the unit owner is dissatisfied, he can call a requisition within a certain amount of days. We suggest that there be a cut-off period saying that if there is a dissatisfied unit owner, you've got 45 days to call the meeting; after that the issue is dead.

Section 47: We suggest there be no requirement that materials be copied and provided to unit owners that are not going to be voted on at a meeting. The way the current section reads is that if there's a notice of meeting, you've got to provide copies of everything that's going to be discussed. Not everything that is discussed is going to be voted on, so you're creating massive amounts of paperwork.

Payment of arrears in section 49: We suggest an amendment. Currently, if you haven't paid your condominium fees or are in arrears, you don't get to vote. Some unit owners come, present a cheque, and the cheque bounces the next day. We are saying that the wording should reflect that payment should be received by the condo corporation before a unit owner is entitled to attend and vote.

Owner-occupied units: We're asking that subsections 51(5) to (9) be deleted in their entirety. This whole section 51 dealt with the voting rights and how many unit owners should be represented on a board as opposed to a declarant representative and such. The wording that's currently contained in the bill I think is confusing and will cause a great deal of paperwork and misunderstanding between boards and directors and unit owners. We merely suggest that that whole section 51, subsections (5) to (9), be dropped. There's ample protection and it's rare that you don't find a unit owner sitting on a board.

Section 55 of the bill deals with records. Currently there is no great difficulty in unit owners obtaining records. If a condominium corporation or a property manager doesn't provide records that are requested, the unit owner on two days' notice can make an application to a court and the condominium is ordered to produce the relevant documents. Section 55 creates a problem in that you might have a disgruntled unit owner or an unscrupulous unit owner who comes to the office and says, "I want to see Barycky's file." Now, Barycky's file might have information about my spouse; it will have information about my banking; it will have copies of my cheques; it will have copies of my employment; it will have my car insurance; it will have my unit insurance information — it might have information that's nobody's business and I think there should be a limit to what's disclosed. We've suggested wording which you'll find, which merely says that confidential matters, the disclosure of which would prejudice the corporation employees, owners or residents, should not have to be disclosed.

Section 55 continues on under subsection (8) dealing with penalty. This is going to be a property manager's, unit owner's, director's nightmare. All you need is one disgruntled unit owner to come and say, "I want information." The unit owner says: "Hey, what you're giving me, I don't like. I want \$500." That's what the section says.

That penalizes me as a unit owner for an indiscretion that wasn't mine. If you do that enough times in a day, 10 demands means \$5,000. It's inappropriate. The section is punitive, it hurts innocent unit owners, it hurts directors and we suggest it be deleted. There is ample provision to make an immediate court application and the court can order costs. The court can also determine what should be disclosed and what should not be disclosed.

Section 57 is a very touchy issue. This deals with the whole aspect of human rights. The suggestion has been made that certain condominiums are over-populated. People move in and, aside from the father and the mother, you have extended family and others, and all of a sudden something that was meant to house three or four people is now housing four or five families. There is a tremendous draw of resources: electricity, heating, wear and tear, water, use of amenities and the like.

This section attempts to control that by saying the board can determine if there's overusage and charge an additional fee for the overusage of those resources, which is perfectly proper. However, this section probably doesn't have a leg to stand on if you don't expand and say that it's notwithstanding subsection 2(1) and section 11 of the Human Rights Code. The commission, under the Ontario Human Rights Code, has very aggressively and vigorously taken the position that anything that even smacks of discrimination relating to family status is going to be knocked out, and this section smacks of discrimination based on family status because: "Why can't I have my extended family in there and why are you charging my extended family more money to use water and electricity? You are discriminating." The Ontario Human Rights Commission will invariably say, "Yes, that's correct, the section is unenforceable." So we urge you, if you're going to have that section in, put in that wording to permit its enforcement.

1610

We then move on to the other one which is adults only. This has been kicking around for many years. Ontario does permit discrimination based on age. You do have adult-only condominiums; they are not illegal. The province permitted this, the province created it, notwithstanding the Human Rights Code. However, a human rights tribunal in a Divisional Court has stated that there may have been discrimination based on age, but there definitely was discrimination based on family status, and on that basis all these provisions that deal with adults only are thrown out.

In the survey CCI did of its members, it was an overwhelmingly supportive response that adult-only buildings be permitted by the province. They were permitted. They are allowed as far as age discrimination is concerned. However, the difficulty is that the Human Rights Commission, when this comes before them, says: "No, you can discriminate on age, but we're going to get you on family status," and that's where it stands now.

In today's lifestyle, choosing a condominium and a home is a lifestyle choice. With an aging population, that population should have the benefit of choice to say: "I

want to live in a building where I do not have to expend resources for playground, for supervision, for lifeguards, for the extra wear and tear that youngsters typically bring to a building. I don't want to pay for playgrounds. I have grandchildren and I love them very much — on week-ends". This has been put to us over and over again. The response has always been: "Well, the powers that be will never allow it," but we do urge you to reconsider that, and to assist you, on page 37 of the brief we've drafted the appropriate wording.

Moving on to subsection 58(1), this deals with rules. The way the section is drafted now the board can amend or appeal rules dealing with common elements, but we suggest that it be extended to deal with the assets, facilities and services. It doesn't make sense to deal with the common elements, the hallways. You must be able to deal with the couches, the gym equipment and the like. We urge you to extend the wording as we suggested.

Section 72 is under part V, sale and lease of units. Section 72 deals with the disclosure requirements. We suggested that there be certain amendments and additions to section 72. The first one is that all units should be required to have an information statement. Not only residential; commercial units too should be entitled to the information as provided by the declarant.

We suggest in a new subsection 72(13) that purchasers should know at least up front when they or their visitors will have to pay a hidden amount to purchase or lease a superintendent's suite or guest suite or visitors' parking. Currently some developers, more on the unscrupulous side, will put up a development and not include a superintendent's suite in a 300-unit building. Then, when the turnover is made, they say, "You can purchase the superintendent's suite for \$225,000". Or they don't provide enough parking spaces or visitors' spaces, and at turnover they come back and say: "You can buy these spots. They're only \$7,500 each, and by the way you need 15 of them." We suggest that this be addressed and we've provided the appropriate wording for you in subsection 72(13).

On the content of a disclosure statement, this is something you heard much about this morning from the declarants and the developers. I'm not going to take a lot of time to deal with it, but I think you will find the rationale in our presentation makes sound sense from a consumer protection perspective. After all, this is a consumer product and that's where the protection should be headed. There's no big deal in complying with the request we've made as fair disclosure to everybody.

The Chair: Thank you very much for your very interesting and very detailed presentation. I know it's of value to the committee.

URBAN DEVELOPMENT INSTITUTE/ONTARIO

The Chair: At this point the committee calls forward the Urban Development Institute/Ontario. Would the

deputants please declare their names for the record and Hansard.

Mr Jeff Kratky: Mr. Chairman, members of the standing committee, my learned colleagues, ladies and gentleman, my name is Jeff Kratky and I am the director of policy for the Urban Development Institute/Ontario. With me today is Mr. David George, vice-president of Monarch Development Corp, and Mr Shoel Silver, chief executive officer of the Metrontario Group.

Both Monarch and Metrontario are land development and construction companies that are active throughout Ontario and contribute a great deal to the stock of condominiums in this province. Also they are members of the Urban Development Institute/Ontario or UDI.

UDI has acted as the voice of the real estate development, building and property industry in Ontario for over 40 years. The institute is a non-profit organization supported by its members that include firms and individuals who own sizeable holdings of raw land, apartment units, and both industrial and commercial buildings. Our membership is engaged in all aspects of the planning and development of communities and the construction of residential, industrial, commercial and retail projects. UDI serves as a forum for knowledge, experience and research on land use development and planning.

Today, UDI's members include land developers, builders, land use and environmental planners, investors, financial institutions, engineers, lawyers, surveyors, economists, landscape architects, marketing and research firms, and architects. Together they constitute the collective forces guiding the creation and improvement of Ontario's built environment.

Further, the institute is a partner in UDI Canada, the coast-to-coast organization representing the national interests of the development community.

The land development industry and construction industry is a very important part of Ontario's economy, contributing more than one tenth of its total economic output. The condominium sector is a very important part of that contribution.

I will now turn the presentation over to Shoel Silver, given his expert knowledge regarding the condominium sector.

Mr Shoel Silver: Good afternoon. My name is Shoel Silver. I am chief executive officer of the Metrontario Group. Our company has carried on business in the Toronto area for over 50 years. In addition to other facets of our business, we've built over 1,200 condominium units in the last 18 years. At present, we are actively marketing and building two condominium communities containing a total of 360 units. The value of these two projects is approximately \$65 million.

Our company is only a part of a large condominium industry which has made and continues to make a significant contribution to Ontario's economy and society. We provide construction jobs for many thousands, and housing for thousands more. The many townhouse condominium projects in particular allow young families across the province an affordable entry into home ownership.

UDI represents many of these developers, and our condominium committee, on which I have served for almost 10 years, has worked closely with various Ontario governments over the years to ensure that the legislation regulating our industry does not inadvertently handcuff it.

The current Condominium Act has been interpreted by the courts on numerous occasions, and condominium developers are used to the way it works. We therefore did not advocate a wholesale revision. But ever since the issuance by the ministry of the first working documents which have evolved into Bill 38, UDI has sought to give the drafters the insight of our members' experience. Recently our efforts have been combined with those of the Ontario and greater Toronto home builders' associations and the Metropolitan Toronto Apartment Builders' Association. The result has been a joint submission detailing many of our concerns with the current form of Bill 38. I understand that this report was submitted to you this morning by the Greater Toronto Home Builders' Association. That report reflects the positions of UDI as well, and we adopt it in its entirety.

We'd like to use the rest of our time to touch briefly on some of the more important issues. At this time I would call on my colleague and competitor, David George.

1620

Mr David George: Good afternoon. My name is David George. I am vice president and general counsel of Monarch Development Corp where I have worked for over 12 years. Monarch is the oldest and one of the largest publicly traded real estate development companies in Canada. Monarch was founded in Toronto in 1917. In 1997, the company had revenues of approximately \$325 million, pre-tax earnings of \$42.5 million and, following payment of over \$14.7 million in corporate income taxes, after-tax earnings of \$27.782 million. Monarch has been listed on the Toronto Stock Exchange since 1949 and we are proud that our shareholders include several major public service pension funds.

Monarch's business is focused mainly in the residential sector. In 1997, we closed 1,319 homes and building lots. In Ontario, we operate over 35 separate housing developments stretching from London, St. Catharines, Burlington, Toronto, Markham, Whitby to Ottawa. Monarch is also a major home builder in Florida, Houston, California and Georgia in the United States.

As the recipient of the Ontario New Home Warranty Program's Ernest Assaly Award in 1997, Monarch is presently Ontario's top-rated home builder for quality of construction and after-sales service. Monarch has been an excellent-rated builder in the Ontario New Home Warranty Program's large builder category every year since the designation was established.

Monarch has been building condominiums in the Toronto area since 1972. Most of those projects were townhouse condominium developments of between 10 and 40 units. It has only been since 1994 that Monarch has entered into the high-rise condominium sector of the industry.

Within that time the company has grown to become the third-largest high-rise condominium developer in the city

of Toronto, and presently we have seven projects either on the market or under construction comprising 1,287 suites in total and representing an investment, by early 1999, of over \$120 million.

Our projects include the 276-unit Queen's Harbour project, presently under construction on Toronto's waterfront. Also under construction is the first phase of Kensington at Old Mill which is a 60-unit building adjacent to the Old Mill subway station. The second phase, a 65-unit building, is due to begin in early 1999. We have a 19-storey, 226-suite building under construction at Finch Avenue and McCowan Road in Scarborough and have finished working drawings in respect of a 323-unit, 23-storey building in the Yonge and Sheppard area in North York.

Condominium construction is costly and complex and each of these projects employs a substantial number of tradespeople and utilize large volumes of construction materials manufactured mainly in Ontario.

As members of the committee may know, the process in high-rise condominium development is to pre-sell approximately 60% of the units in a building before financing for its construction can be obtained. This involves a significant upfront cost in securing the land, preparing legal documents, establishing a sales centre and marketing the units to consumers, whose deposits, by the way, are ultimately fully insured by the builder. We then proceed to construct the building which may cost upwards of \$40 million on the back of \$6 million to \$8 million in total deposits. Obviously the company, our shareholders and our lenders are relying on the strict enforceability of contracts in making such a large investment and long-term commitment.

Condominium sales involve an immense amount of disclosure to buyers who enjoy the protection of a 10-day cooling-off period when they buy a unit, and the benefit of extensive information concerning the operation of the building and a guarantee in respect of its first-year budget. I am holding up a copy of a disclosure book from one of our developments, and as you can see, this is printed on both sides, it involves compiling a great deal of information to assist buyers with their decision to buy.

Monarch is a strong supporter of the joint industry position paper on Bill 38 submitted to this committee earlier today. Monarch has concerns with respect to subsections 75(3) and (4) of the draft act relating to "significant change." Unlike "material change", the term "significant change" is not defined. The implications with respect to disclosure or non-disclosure of significant change are not clear, at least in my view. Monarch's concern is that this sort of provision will open up an entirely new area of litigation among buyers and introduce a new level of uncertainty for no discernible benefit. This sort of uncertainty will make it difficult to commit the type of resources required to build a high-rise condominium development. It will also make obtaining financing a difficult proposition. So we support the position that subsections 75(3) and (4) be deleted.

As the joint position paper also sets out, there are a number of provisions relating to additional disclosure

which raise concerns through their drafting. For instance, Bill 38 requires disclosure to a purchaser of whether or not their common interest expenses differ from another unit of the same type. There are a number of legitimate reasons for a difference in common expenses among units of the same type, as they can differ in size or design, or there could be balconies or other amenities. We believe the appropriate step is to amend this provision by clarifying that this requirement is necessary for units of the same type, size and design.

There are also requirements at various sections of the draft act to list all other agreements that apply to the property and provide a significant description of all significant features of all agreements or proposed agreements. We believe these requirements are excessively broad and onerous. There are many agreements that apply to condominium development that do not need to be disclosed to purchasers since they do not relate at all to the purchase decision.

For instance, private financial agreements like mortgage commitments, agreements of purchase and sale in respect of the land, construction contracts, licensing agreements and agreements with the Ontario New Home Warranty Program are not really relevant to a buyer purchasing a condominium. Moreover, there are often old agreements registered on title at the time the purchaser may enter into an agreement that may apply to the property but will be removed by the developer long before there is ever a conveyance of the unit to the purchaser.

In this regard, I know that our Queen's Harbour site on Toronto's waterfront is subject to a marketing agreement entered into by Harbourfront, Molson Breweries and Ford of Canada. The agreement ultimately does not apply to the project and will be deleted from title well before closing. Under Bill 38, Monarch could conceivably be required to list that agreement and summarize its contents for the purchaser. That serves no purpose and will only add to the expense in marketing and development.

We have a similar situation in the Kensington at Old Mill. The Kingsway community where it's located was developed many, many years ago. There are numerous agreements on title which go back to the early 1900s. As we move along with the project, we are having the agreements deleted from title one by one, but under the proposed regime of Bill 38, we could be required to disclose and summarize each one although they have no bearing whatsoever on the ultimate development of the project.

There are also areas in the draft legislation where changes may take place in a project which are beyond the declarant's or developer's control. For example, under subsection 98(4) the corporation can make changes to the common elements with a 66% vote in favour. As such, a developer could be marketing units in a building that is completed and registered but where not all the units have been sold. If such a change took place, it could give rise to rescission rights among buyers. We believe a new section should be added in the disclosure section which clarifies that such changes do not constitute a material change.

Another area of concern is in respect of the new requirement of a performance audit. We recognize that the key objective is to ensure that all of a condominium corporation's potential warranty claims on the Ontario new home warranty plan are maintained. The proposed performance audit regime unduly complicates this objective and duplicates reviews already conducted under the Ontario new home warranty plan's bulletin 19 requirements and the technical audits commissioned by a condominium's board of directors.

We submit that this requirement should be replaced by a general binding legislative requirement that condominium boards take all necessary steps to maintain warranty coverage under the Ontario New Home Warranty Program. If the government feels there is a need for detailed requirements, these are better left to the Ontario New Home Warranty Program through its policies and regulations or in the regulations under this act when it ultimately becomes law.

I want to thank the committee for the opportunity to make this presentation.

Mr Silver: Mr Chairman, how much time do we have?

The Chair: You have about one minute left.

Mr Silver: I'll try to be very brief on the last few items.

First, there's the question of transition and how you deal with projects that are already being marketed but will not be completed until the new act is in place. Bill 38 would exempt condominium corporations that are created as a result of these projects and protect condominium management etc, but it doesn't seem to deal with the situation of the relationship between developer and buyer. Are we subject to the new disclosure rules or the old disclosure rules, the ones that were in place when we began marketing or the ones that were implemented afterwards? That kind of uncertainty can be changed, and we've proposed changes in our written report that would cover that.

The Condominium Act, as proposed, introduces new forms of condominiums: phased, common element, vacant land and leasehold condominiums. We think these are good opportunities for the industry to be responsive to market needs, but, as drafted, there are problems with each of these.

Phased condominiums in particular burden the developer at the start of a phased condominium with huge disclosure requirements on future phases, where the market will determine what he builds but up front he has no final idea. He wants to be sensitive to the market as it evolves. There are serious penalties for the developer if he guesses wrong in his early disclosure. These things, again, can be changed in drafting, and we've made submissions in our written report that would cover these things. The other new forms of condominiums similarly have drafting problems which we think can be dealt with.

On behalf of Jeff and David, I'll conclude by saying that the development industry has become used to the Condominium Act. We believe in regulation. We believe in workable regulation. We urge the spirit of a balance of

regulation and opportunity which serves all of Ontario to be carried forward when the bill reaches its final form.

The Chair: You've just ended right on the button so we'll conclude your presentation at that point. I don't think you were looking for a response; I think it was a comment that you want observed.

1630

CONDOMINIUM CABLE COMMUNICATIONS COMMITTEE

The Chair: At this point, we will call forward the Condominium Cable Communications Committee. Thank you very much for joining us. Could you introduce your presenters for the Hansard record.

Mr Rudy Fliegl: Seated on my right is Mr John Deacon of the condominium law firm of Deacon, Spears, Fedson and Montizambert. John has been involved over his career in litigating telecommunications disputes between suppliers and condominiums. Next to John is Mr George Sauvé, president of YCC 226 in Thornhill — Thornhill Summit, I guess you're called. George is also the president of MARCO, the Markham Association of Residential Condominium Owners, which is on the agenda later today. Seated on my left is Mr David Dunn of the Greater Toronto Area Condominium Association. David and his wife are also involved in their own condominium in Etobicoke. Next to David is Bob Querengesser from Thornhill. Bob is a member of his board at YRCC 601 and he also is part of the Richmond Hill Association of Residential Condominium Owners.

My name is Rudy Fliegl. For the past 15 years I have chaired the Condominium Cable Communications Committee, sometimes known as the C3 committee and, in brevity, C3. I am also president of my own condominium, YCC 274.

I have introduced the team that is with me. I'm sorry, I missed one individual, Mr Francis McGlynn, who is a past president of Canada's largest condominium, Crescent Town, which has 1,450 units. Our other members could not attend today.

The C3 committee was established in 1984 by concerned Toronto area condominium homeowners and evolved out of earlier individual efforts by our members. We are admittedly a single-issue condominium group dedicated solely to seeking fairness in the delivery of telecommunications services to residential condominiums across Canada. While our usual contact is with the CRTC, the Canadian Radio-television and Telecommunications Commission, over the past eight years we have been involved in the telecommunications provisions in various drafts of Ontario condominium acts by the three parties. In this case, our specific interest is section 22.

We believe Bill 38 should not be delayed any longer. However, we ask you to read and reflect upon the appended background on telecommunications sweetheart deals that we offer and refer to as "The Sins of the Past." We would encourage you to read these. It'll give you a

good fix on what's been going on over the last three decades. Once you see and have reviewed this background material, we believe you will see that our recommended minor changes and additions are both fair and reasonable.

We examined section 22, we tested it and we found the following: Condominium developers can still make self-serving telecommunications sweetheart arrangements that will be zero risk for them. Where else in business do you find such a thing? Section 22 also allows developers to now act alone — they no longer need their cable partners — to invite the highest bid for installations in parts of restricted-use common elements for third-party communications control unit use or otherwise and they can then execute a telecommunications arrangement that will also be zero risk.

Bill 38 has few provisions to significantly change the many past sins caused by yesterday's sweetheart deals in the existing condos in this province. Although Bill 38 is a marked improvement over other versions of proposed Ontario condominium acts, it will not lessen the impact of the sins of the past. Furthermore, in newly constructed condominiums there is nothing to stop the developer/declarant from acting alone to set up a communications control unit and invite bids for its use, either by third parties or other licensed service providers.

A CCU, communications control unit, intrudes into parts of a condominium's restricted-use common elements and can include conduit risers and hall equipment cabinets. Most commonly, it has included rooftop antenna space. In a predicted bidding war, the developer can then accept the bid which provides the greatest profit, regardless of the interests of future condo owners. A telecommunication sweetheart deal is created and all that remains is the appropriate wording in the declaration, which is also prepared by that developer.

These events are possible because Bill 38's section 22(1) definition for "telecommunications agreements" defines these as "grant or transfer of an easement, lease or licence." Then, under section 113(4), "other agreements," it prohibits an easement from being terminated by resolution of an elected board within the 12 months following a condo turnover meeting, unlike the right to terminate other developer sweetheart deals. Moreover, a telecommunications agreement for cable TV services, say, only becomes non-exclusive and subject to termination 10 years later. Thus, under section 22, the awful events of the past can be repeated.

The builders of condominiums believe telecommunication infrastructure expenses are too high for them to shoulder alone and would argue telecommunications sweetheart deals create lower condo unit costs. They do not say that they see CCUs as an added revenue stream. On the other hand, the providers of services, the other sweetheart deal partner, the local cable TV licensee, would argue they should have the right to recover their costs invested in infrastructure through long-term telecommunications service agreements. But in most cases, licensee infrastructure costs are very quickly paid down and installations are largely built into prevailing cable

rates. There are also, in addition, the CCAs, the capital cost allowances. The rest for them is absolute gravy. Naturally, neither sweetheart deal partner will admit telecommunications agreements in multiple unit residential condo dwellings are very, very lucrative for them.

C3 believes such specious arguments are pure nonsense. We would argue that telecommunications is no different than any other system whose infrastructure must be built into a condo unit's cost. As examples, we suggest hydro, water, gas, elevator or any other service. None of these allow entrenchment in the condominium by the service provider as telecommunications does. A licensed cable TV provider, a licensed telephone service, another telecommunications provider or a third party that bids the highest benefits the most under Bill 38's section 22, but elected condominium boards and the owners get shafted again.

Consumers of condos will again be uninformed, and it is business as usual under an environment permitted by section 22 unless some changes are made. Bill 38 does very little for existing condominiums that have been abused over the years by licensed cable TV operators. Since many of these deals were registered on title, the condo would incur legal costs to have them removed. In the case of deals registered on title and made in perpetuity, and Bob Querengesser's condo is an example of this, C3 believes significant legal costs will be a certainty. That said, over the years the cable TV giants have denied many condos delivery of bulk-supplied services, and we note cable is now encouraging this same thing.

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Bill 38 does not ban sweetheart agreements, and we strongly believe telecommunication sweetheart agreements cannot continue to be a risk-free ride for condominium developers who make such deals. If there is the threat of cancellation in the first year after turnover of a newly built condominium, there will be a strong incentive to treat elected turnover boards fairly. Then, telecommunication sweetheart agreements that benefit developers and third parties only can be mitigated. In addition, there is nothing in section 22 that rectifies the sins of sweetheart deals in existing condominiums. Accordingly, C3 recommends a number of minor changes and additions to Bill 38. These are shown on the next page, and we have underlined them for emphasis.

I guess I'm pretty close to running out of time.

The Chair: You have about five minutes.

Mr Fliegl: Let me march you through some of these.

Let me go down to the bottom of page 5, section 113(4). We're suggesting to you that under this section a telecommunications agreement can be an easement and the turnover board cannot veto that easement in the first year of operation. If you change that ever so slightly by saying "excluding telecommunications agreements under section 22" and then adding the rest of that section, we believe that would be a strong incentive for fairer deals that benefit all of the parties, if we're going to have these doggone things.

Moving up to section 73, we believe there should be a complete disclosure of the nature of any telecommuni-

cations agreement and the likely impact of it on any new condo created after this act comes into force.

Under section 43, it discloses all of the items to be turned over at a turnover meeting. We believe you should add "easements" there. You may think this is redundant, but we do not.

We've suggested that a new subsection be added under section 22. That contains about five parts and these will deal with the existing sweetheart deals that are still hanging around.

Then at the top, we've suggested that the definition of "telecommunications" should be expanded ever so slightly to include the fact that it could be either broadcasting or interactivity, and that would make it complete.

With respect to 22, we believe a new section should be added, 22(d). Sections 22(c) and (d) will allow for situations where a condominium is either moving to a bulk service agreement which has previously been denied by a service provider or the condominium has suddenly recognized that it is providing a lot of discretionary service that it ought not do because there's nothing in the act that allows this and they want to provide basic only service. Incidentally, the cable industry now provides basic only service to condominiums, something it has denied over the years. They have just simply loaded us up with extra channels and it only takes one owner to stand up at an annual general meeting and say: "Why is the board paying for this? I don't want you to pay for Arts and Entertainment. I don't want you to pay for the food channel or the golf channel or something. You're using my common element fees in a way not permitted by the act." Then the board has a terrible problem. So what we're suggesting is that by some manipulations between 22(c) and (d), it will meet both requirements and it will allow boards some flexibility.

I think I'm just about out of time, so I will stop there and entertain any questions that you may have.

The Vice-Chair (Mrs Julia Munro): I think we just have time for one question.

Mr Colle: I guess the question is, do the developers disclose these sweetheart deals with the providers or are they obliged to right now? How do you find out about it?

Mr Fliegl: Usually it's a shock. I'm going to call upon our committee counsel.

Mr John Deacon: We've heard several times about what is disclosure. For example, a CCU, a communications control unit, has to be referred to in the declaration which has to be disclosed to purchasers. But if a purchaser who doesn't understand all the ins and outs of easements and registered restrictions and parts on a reference plan which are referred to in it and a conduit and certain rights that go along with it, the disclosure is literally meaningless. They don't understand that they're essentially giving up their right of choice of a communications system, and they're giving the developer the gatekeeper role in making the best deal possible with whatever supplier is there, whether it's the cable or perhaps Direct TV, and making the profit themselves. So, yes, it's disclosed, but the impact of the disclosure is not really understood, other

than by a very small and specialized minority. Frankly, purchasers' lawyers would be unaware and unable to explain in most cases to purchasers what is actually disclosed.

We're coming at this backwards unfortunately. It's a situation where purchasers' rights should be to take over their entire condominium property. Well, it's eaten away by sweetheart deals which the condominium board inherits and it's eaten away now by property rights being retained by the developer. They're all disclosed, but still, the rights of the owners inheriting their own condominium that they're buying are slowly being eroded, and we're trying to slowly put them back or put restrictions on these erosions. Disclosure is only one small part of it. The other part is actually preventing this kind of erosion of purchasers' and condominium owners' rights.

The Vice-Chair: Thank you very much, gentlemen, for appearing before us today. We've run out of time. We appreciate the comments that you've brought forward to our hearing.

GREATER TORONTO AREA CONDOMINIUM ASSOCIATION

The Vice-Chair: I'd like to call upon the Greater Toronto Area Condominium Association, Christine Dunn and Dave Dunn. Good afternoon and welcome to the standing committee on general government. For the purposes of Hansard I'd ask that each of you introduce yourselves. Please begin.

Mr David Dunn: Good afternoon, ladies and gentlemen, and thank you very much for the opportunity to make this deputation to this committee. Accompanying me from the Greater Toronto Area Condominium Association are Christine Dunn, Mr Geoff Pacey and Ms Rosette Kertesz. We also have Marilyn Bird and others who were unfortunately unable to get off work today to join us.

May I start off with a little interactivity and ask by a show of hands whether any of you live or have lived in a condominium. Just three. Well, the paucity of lives in condominiums demonstrates one of the problems that we have in getting across —

Interjection.

Mr Dunn: Good, and others I've talked with too. Jim Flaherty is one. But it does get across the idea that the concept of condominium living is not clear with most people in Ontario certainly.

Let me read from the Ministry of Consumer and Commercial Relations definition itself:

"Condominium ownership, whether it involves residential or industrial property, has a dual nature. A condominium owner holds negotiable title to his own unit and at the same time shares with fellow owners the title and cost of operation of the balance of the property constituting the condominium.

"The term 'condominium' does not refer in any way to the physical structure of the building or building complex. Residential condominiums, for example, can be high-rise or low-rise apartments, townhouses, detached houses,

stacked townhouses, any configuration of housing you can imagine. What makes them condominiums is not their physical structure but the way in which owners have agreed to share the ownership of common property while retaining individual ownership of the property which constitutes their own unit.

"All condominium projects consist of two parts: the unit, which is individually owned, and the common elements, which are shared and jointly owned by all of the individual owners as condominium corporation members."

I regret having to put this to you who do know, Ms Ross and others who are expert in this, but there are so many people we have encountered who do not know that I felt it something to get on record.

A little of our history: Our group began in one building of our complex and then grew to three buildings and then the corporation next door, some down the street and now from Scarborough to Oakville. We've helped groups in London, Hamilton and Burlington as well, and joined with Richmond Hill and Markham groups in presentations and consultations. I'm pleased to see George Sauvé and Malcolm Stanley are on for MARCO soon after us.

We own our own units and represent other such owners and boards of directors over a wide geographic area. Almost 20,000 condominium dwellers are looking to us to represent their heartfelt views. We have all waited patiently for over 20 years for amendments to the Condominium Act to improve our quality of life. We are now less patient and implore you all to achieve third reading and passage of Bill 38 into law now.

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I should like to especially acknowledge Mr Doug Ford of Etobicoke-Humber, my MPP, who introduced us to Mr Jim Flaherty of Durham Centre, his then seatmate in the House before Jim was elevated. Jim graciously welcomed the GTACA, as representing the interests and concerns of many individual condominium owners, to the ministry table to join in discussions with other stakeholders in reviewing this existing act. We are also indebted to Mr Mike Colle of Oakwood riding and Mr Tony Martin of Sault Ste Marie for their much-appreciated co-operation in helping get the bill this far, and of course Minister David Tsubouchi of Markham. These individuals will all be long remembered by our membership for their contributions.

The secretary of the committee has a copy of our submission for duplication, but now I'd like to ask Christine to address some of our more specific concerns.

Mrs Christine Dunn: My name is Christine Dunn. We would like to make sure that you understand that what we hear most often from condominium owners in Ontario are their concerns regarding their rights, the protection of their rights and the absence of certain rights. Our concerns are about things such as the unresponsiveness of a board that has been elected, a board that could have been in place for 20 years and no longer feels it is accountable to the people who put them there.

We have an aging population who are not as culturally inclined to challenge authority. We have a lot of widows who are in the position of having to make decisions now

that they weren't groomed for in their early years. For them to deal with a board and to ask for information and to be stalled off literally for 14 months before they receive information, that is where we had people raising issues about the power balance between the board and the owners. It's the owners who are the consumers, the owners who take on all the financial burdens as well as all the heartaches and headaches that go along with condominium ownership.

The fact is that it is simple in the eyes of those who are within the legal profession and it's easy for them to say, "All you need is a court order," but it is not a simple matter for the average consumer. The average consumer should not have to go to court to be allowed access to records that are legally entitled to be viewed by him. We have no qualms about restricting what those records are but we feel that that right needs to be upheld. We also want to protect the equity of our homes.

As has been mentioned by others, a condominium home is a lifestyle decision. Besides the obvious financial commitment, you also require a group of diverse individuals to agree to live together under a common set of rules. They share certain costs and they maintain a certain lifestyle. This concept works well when the unit owners are the unit occupants, because they are all equal stakeholders. They have the same vested interest in maintaining their property and upholding this agreement.

The concept of home ownership in a condominium, however, becomes derailed when there are too many units that are not occupied by owners. Home ownership then can become a nightmare. I just want to make that obvious to those who have never lived in a condominium by giving you a scenario.

If you have a home and you have acquired a mortgage to get it, you have all the attendant responsibilities of home ownership. You've been paying your mortgage for years, and perhaps you can remember that there was some belt-tightening that had to be done so that you could afford to buy your home. Imagine if one day you woke up and, without having moved, without being relieved of any of your responsibilities as a homeowner and without your consent, you were now living in rental accommodation. This is the situation that thousands of condominium homeowners face today and that many more will in the next few years, and those homeowners were not party to that decision. Please don't deny us the right to be a party to that decision.

We suggest to you that there are proven solutions to that problem that have been in effect for years in British Columbia. British Columbia is a model for homeowners having the right to limit the number of residential units that may be leased in their corporation. This cap on the number that are leased has been successful for many years. It's established in bylaw and it doesn't restrict the rights of owner-developers. We can address the specifics of that legislation in the question period.

Our legislation could contain safeguards to protect the interests of the declarants, current and future tenants, current non-resident owners and, finally, put into law the needed protection for the interest of the owner-occupant,

the consumer who has bought so that they could live in this home. Those are the rights that need to be protected. Currently that part is unregulated.

We are not proposing that renters be excluded from condominiums, but we are proposing that there be management of that process. Currently we hear municipalities and individuals proposing that rental housing problems be solved by turning to condominiums. If that is an unmanaged process, then people will find that you have a building that has 200 units and there may be 50 landlords. If renters have problems with landlords today, what do you think will happen to the whole system when you have all these individual, amateur landlords operating in a building.

The reason we are bringing up a cap on rental is that it also addresses the issue of overcrowding, in that most overcrowding situations occur in conjunction with rental units. If a rental unit is overpriced, people are brought in to share that accommodation, to share those costs, and that leads to relationships and conditions that were not intended in that building. Buildings were designed and built to a certain occupancy standard. There are proposed rules that will allow occupancy standards to be set by the corporation, but they are cumbersome. We have spent months looking through the building code and the various laws that we thought would give us a clear definition. It doesn't exist. So we propose that you go with a very simple, straightforward proposition such as is used by government agencies right now that says, for instance, if you are providing subsidized housing and you have a group of four people, two of whom are adults and two of whom are children, and the children are above a certain age and of opposite sexes, we taxpayers will be committing ourselves to provide accommodation of X number of bedrooms. You have to have separate bedrooms for those children and you have to have separate bedrooms for those adults. It is a simple formula that is based on the number of bedrooms. It doesn't require an explanation of the relationship between people and doesn't go into any of those issues.

If we don't get relief in this area, what will happen is that people who currently live in condominiums as owners, who look to the condominium concept as the reason for buying in, will find it no longer suits, that they will be left out of that very process. They will be bailing out of condominiums because their interests are not protected. They carry the burden of all the costs and now they are losing control of the processes that create those costs. As a homeowner, why should I carry a mortgage and then be living in a rental building? The two do not coincide.

1700

The other problem we are now facing is that you have the new home warranty program that gives you some protection up front, but what about buildings that have been there for a while? What about those original builder defects that don't show up until you start having to do repair work and you find that rebar is missing, that there are non-existent support beams, that the shelf beams are not where they should be: things you cannot see with the naked eye but which create very costly problems and that

the current owners are going to face? These defects were created by the developer at the beginning and have not been addressed. That needs to be addressed.

I would like to turn now to Geoff Pacey to deal with some of the details in our submission.

Mr Geoff Pacey: Thank you, Christine. Our law firm is principally involved in acting for homeowner-controlled condominium corporations. We do not act for developers; we do not act for property managers. I'm disclosing our bias up front.

I think a bit of history is in order, to know where the Condominium Act has come from. If you go back to the 1960s the Condominium Act was originally derived from New York corporate law and New York condominium experience. That corporate law origin is more a business corporation law origin than a municipal corporation law situation where condominiums have evolved to today. Condominiums are essentially like a fourth or fifth level of government. They provide various services — security services, water, electricity, various other services — to the residents and in return they collect taxes called common expenses. In essence they are municipal corporations, although they are not called that. Yet in the early years, in the 1960s and 1970s, there was this legacy of a business corporation origin. I think that's at the heart of the problems we face today, at least the more significant ones.

As the corporations evolved there were amendments, back in 1974 and 1975, then lien priority in 1978 and then the major amendment back in 1979. There's been a steady evolution and progression toward a more municipal orientation, in my view, and a more consumer-oriented approach. In the current amendments there are a lot of excellent amendments that carry that further. However, there are some that in my view put us backwards.

I do not think that the two main underlying problems have been sufficiently addressed. I've identified those as the business corporate orientation, and I'll give you an example. I've alluded to the investor control situation in my comments in the submission. We have situations where investors acquire blocks of units in a condominium from a declarant. The condominium declarant is under all sorts of obligations that are of consumer protection origin: having to sell off the units without unreasonable delay, having to turn over the documentation and control to the board at the halfway point of a sale. There are a lot of positive sections in the act which investors buying blocks of units deny, ignore and, in one case I've alluded to in the material, they attempted to misappropriate the corporation's entire reserve fund when they took over the condominium. I know of several situations right now in the Toronto area where investors either dominate or control condominiums to the detriment of the residents who live in the building.

You may say: "They have their remedy. Why don't they hire a lawyer and go to court?" A number of these condominium residents are not particularly wealthy. The investors usually have lawyers and all sorts of financial resources at hand to drag out court cases. So even though the oppression remedy that's being introduced in the

statute for the first time will be beneficial, it's a somewhat hollow remedy for people struggling along on a paycheque to get together to hire a lawyer to avail themselves of their rights to exercise the oppression remedy.

The other part of this is the overcrowding issue, and I won't go over the ground that Christine has covered. Overcrowding primarily relates to rental units. In some cases you have owners who are overcrowding the units where they live. But by and large it's tied in with the rental of condominium units. The amendments are good steps in the right direction. There are three amendments, and I've alluded to them in the submission.

The first amendment basically allows the condominium, by bylaw, to adopt the local municipal bylaw dealing with occupancy standards. That remedy is somewhat illusory since the condominiums in most of their general operating bylaws already allude to the municipal bylaws and regulations, and that they must be adhered to as if they were condominium bylaws. That more or less is already there. It's nice to have it in the act. However, the standards of the municipal bylaws themselves are rather lax, so that doesn't really provide much hope. Also, to find out if people are living in a unit to an excessive number, you have to get into the unit. There have been all sorts of real problems gaining access to condominium units. Tenants don't want it and, in certain situations, the absentee owners don't want it either.

The situation with the second part of it, the so-called concept of maximum designed occupancy: When that was introduced into the proposed bill a little while ago, a lot of effort was made, particularly by Rosette Kertesz here, to try to track down with the developers how we are going to define maximum designed occupancy. No one, even from the developers' side, has been able to come up with a satisfactory answer. So that's just thrown out as a remedy but with no backup definition, no real standard.

Mr Dunn: I know we're close to time. How much do we have?

The Chair: You have exactly one minute.

Mr Dunn: I do want to get across, though, that despite the imperfections, we do want the bill to become law. We just want to clean it up a little. We don't have the big bucks and support services that some of the other deputants today have. They represent developers, managers, lawyers, indeed banks, we heard. But we do represent many thousands of individual citizens who live in condominiums, and to us and to them these are our homes, and we will be there when everyone else goes home. When all the developers and managers and others leave, we will stay there and fight for our homes. Thank you very much for your kind attention.

The Chair: Thank you. Perfectly timed.

CHRIS LLOYD

DEVELOPMENT MANAGEMENT INC

The Chair: I call on Chris Lloyd Development Management Inc. You have 20 minutes to use as you decide.

Mr Chris Lloyd: My name is Chris Lloyd, principal of Chris Lloyd Development Management Inc. I am also chairman of the Greater Toronto Home builders' Association, Metropolitan Toronto Apartment Builders' Association, Ontario Home builders' Association and UDI joint committee on Bill 38.

I would like to thank you for the opportunity to present my views on Bill 38.

Chris Lloyd Development Management is a consulting firm involved in the design and marketing of residential condominiums such as One Post Road, Windsor Arms, the Belvedere, townhouse projects in Mississauga and recreational properties in Muskoka. Before forming Chris Lloyd Development Management Inc, I was a development manager with Menkes and Bramalea.

I am here today to present my views on Bill 38 and to stress my support for the views expressed in the joint submission of the Greater Toronto Home builders' Association and various associations that you received earlier today.

I would like to speak this afternoon on two issues. The first is clause 8(1)(e), which addresses completion requirements for condominiums, and the second is section 44, performance audits.

Completion requirements, clause 8(1)(e): Bill 38 currently requires that an architect and an engineer certify that the building has been completed substantially in accordance with the architectural and structural plans. The current act only requires the surveyor to certify that the buildings have been constructed and defines "have been constructed" in the regulations.

My concern is with "substantially in accordance with the plans." This implies a greater degree of completion than is currently required. It could result in substantial performance requirements as defined the Construction Lien Act being implied. It could result in buildings not being registered as condominiums until all work shown in the drawings is 95% complete. Purchasers would have to pay interim occupancy fees, rent, considerably longer than current practice if this goes through. Increased duration of occupancy fees will be a major discouragement to future condominium purchasers. It'll be bad for the industry because it's going to increase the length of time that people will have to pay occupancy fees.

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I feel that addressing this issue in regulation by defining the term "substantially in accordance with the plans," would be misleading to purchasers who read the act and are interested in it. My recommendation on this is that the section be changed to "a certificate of an architect that all buildings have been constructed and, if there are structural plans, a certificate of the engineer that all buildings have been constructed." The term, "have been constructed," should then be defined in the regulations as it is in the present act.

With respect to performance audits, Bill 38 will require condominium corporations with residential units to complete a performance audit prepared by an engineer or architect within ten months of registration in order to

establish that there are deficiencies in the common elements which should be submitted as a claim under the Ontario New Home Warranty Program. The current act has no requirement for performance audits. The concern here is that this section should clearly indicate that it requires common element warranties under the Ontario New Home Warranty Program to be maintained by the board of directors of the condominium corporation. This act requires a performance audit even when residential condominiums are not covered by the Ontario New Home Warranty Program, such as conversions or commercial rental condominiums. This could result in false expectations by the public.

The detailed description of the auditor's duties and powers may exceed current practice. This, plus litigation of undefined terms, such as "expert," could greatly increase the cost of the audit, which would be paid for by the purchaser. Legislating the auditor's duties and procedures will make it extremely difficult to incorporate frequent technology changes. Unreasonable boards may use the performance audit as a basis for frivolous technical audit claims. This will conflict with the Ontario New Home Warranty Program's efforts through bulletin 19 to implement a program that is designed to reduce the number of deficiencies in a technical audit and to address the conflict that often occurs between the developer and the board over the technical audit results. Currently, high-rise projects complete a final audit report of all field inspections mandated by bulletin 19 of the Ontario New Home Warranty Program and a technical audit request by the board. This act introduces a third audit, which will ultimately be paid for by the purchaser.

My recommendation for this section is that the title of this section be revised to address the preservation of claims under the Ontario New Home Warranty Program, that there be a general, binding legislative requirement that boards undertake a technical audit within one year of registration in order to ensure that the warranty coverage is maintained and, should the term "technical audit" need to be defined or expanded, that it be done in the regulations, so that it can be changed should that prove problematic in the future.

What I've tried to do today is indicate two of the issues that our joint report has addressed. These were the two issues that concerned me the most. You have already heard one that is of serious concern to us, which is the performance audit. But there are also a number of other issues that are basically technical drafting issues, which I think also need to be addressed. If they are not, they will have an impact on the way the condominium industry works and could, I think, not advance the industry as it should be doing in the future. I thank you for your time.

The Chair: There are about 10 minutes left, so I'll open up for questions. We're at the NDP in rotation.

Mr Blain K. Morin (Nickel Belt): Thank you for your presentation. In talking with my colleagues, our main area of concern is regarding disclosure issues and how we protect purchasers in defining disclosure issues and how we get them to provide more information for purchasers as

well as clear requirements for developers. In looking at your submission on section 8, I may be reading something into it but I guess I'm just concerned when we start talking about purchasers and delaying occupancy of buildings, which might have an effect on disclosure. Are you getting at that you don't believe disclosure should be there or are you limiting disclosure? Maybe you can clear it up for me.

Mr Lloyd: The section 8 we are addressing deals with what's required in the declaration and description, and it really becomes more of a completion requirement because it requires the description to contain a certificate from an architect or an engineer that the building is complete. But in this case it requires that the building be substantially complete in accordance with the plans.

The big change here is that at the moment, under the current legislation, the building needs to be complete only to the extent that it is dry-walled and the demising wall and surfaces are there. The reason for that is that what we're doing here is creating property, and the intent was to make sure that the structure was in place, that the boundaries were there so that if somebody went out to define the vertical boundaries of a high-rise condominium they could find them, that they were there in place, because you can't put a bar in mid-air. That was in the original act. It called for the structure to be there. That was broadened in the regulations to include architectural drawings and other drawings. But that was done through regulation. The act alone deals strictly with structure, and the main concern was that the structure was there so that monumentation could be maintained.

Once monumentation was there and the basic perimeter of the building was there, then the units were there and people could proceed to occupy. Developers generally move people in once the first 10 floors of a building are completed. If it's a 20-storey building, they have to wait until the 20th floor is sufficiently defined to be registered. They're paying interim occupancy until that point is complete. But if you take this reading, where it says the building has to be completed according to the plans, the concern I have is that that would probably mean that 95% of the building has to be completed. That means everything within the building to that level — all the landscaping, all the other things — and the concern would be that the occupancy time would be extended and you'd have to pay interim occupancy longer.

What we in the industry would like to do is reduce the interim occupancy time that people have to pay, allow them to start paying down their units, paying the principal and interest on their units earlier, not delay it any longer. We think it's more important for them to get in, especially once they've moved into the unit, to immediately start to pay down the principal and interest. If we could get to the point where, provided the physical requirements are there, we could register the unit, that's what we would absolutely prefer, so there's not the stigma between freehold and condominium with respect to occupancy. The ideal situation is that the purchaser moves in and starts paying down his principal and interest right off the bat. Does that help to clarify?

Mr Blain Morin: Yes, thank you.

Mr Wayne Wettlaufer (Kitchener): Mr Lloyd, I recently moved into a condominium, and so I have a bit of interest in this.

You stated that the degree of completion that is currently required before registration is dry-wall and plumbing, I presume.

Mr Lloyd: Yes, services.

Mr Wettlaufer: Services, OK. What would you say would be the percentage of completion? Would it be 75% completion?

Mr Lloyd: On the unit itself?

Mr Wettlaufer: Yes.

1720

Mr Lloyd: I'm sorry, I'm not quite following what you're asking for.

Mr Wettlaufer: You're saying that under the proposed new legislation, under Bill 38, a unit or a building would have to be 95% completed before registration?

Mr Lloyd: It could be interpreted that way.

Mr Wettlaufer: What would be the interpretation under the present legislation?

Mr Lloyd: The present legislation requires that the suite, the unit itself, that all the units in the building have the exterior wall and the demising walls complete, and the services to the unit.

Mr Wettlaufer: What percentage of completion would that be?

Mr Lloyd: Probably close to 50% of the total building.

Mr Wettlaufer: When the building is registered, that is when all the mortgage monies are freed up, is that correct?

Mr Lloyd: Only of those units that have closed.

Mr Wettlaufer: So what this could do is prevent the developer from getting any of the advances on the mortgage monies?

Mr Lloyd: The developer basically becomes neutral once the unit is occupied. The interim occupancy fees are paying his interest on the mortgage and what have you. He doesn't receive any profit at that point in time, but he is no longer paying interest on the construction loan as people take interim occupancy. He becomes neutral at the point of interim occupancy.

Mr Wettlaufer: But has he received full mortgage money advances at that point?

Mr Lloyd: No, he hasn't.

Mr Wettlaufer: That's what I was getting at. I think that's all I need.

Mr Colle: The one question I have is about performance audits. The present act does not require performance audits and one of your concerns in part II is that "This act" — I guess you're referring to the new act — "requires a performance audit even when residential condominiums are not covered by the Ontario New Home Warranty Program, such as conversions.... This could result in false expectations."

As a layperson, I'm saying wouldn't the purchaser want some kind of performance audit even more when it isn't covered by the warranty?

Mr Lloyd: The intent of this act, if you read further down, is to actually have it submitted to the Ontario New Home Warranty Program. There is nothing stopping a corporation from doing a technical audit at a later date or at any time. I think on commercial rental buildings you've got investors who are looking at it. They're paying the cost of this. This is a cost to them. Performance audits are being paid by the first-year budget, so we will budget the cost of the performance audit into the first-year budget. It will be paid through the interim occupancy fees or the first-year common expenses, so this is a cost to them at the time.

I think what you should expect is that a corporation at any time can still do a technical audit on the project. My concern is that there is a reference to the performance audit being done, and the main reason for a performance audit being done was to protect the common element warranties. That was the stated reason for performance audits. That's sort of supported by the fact that later on in that section it requires the performance audit to be given to Ontario new home warranty as a claim requirement, but in the case of rental condominiums and conversions, there is no warranty from Ontario New Home Warranty Program. The expectation of Ontario new home warranty that can be created by this is a concern.

Mr Colle: Therefore, they obviously have a lot less protection —

Mr Lloyd: Under Ontario new home warranty, they have no protection.

The Chair: Thank you very much for your presentation. I appreciate that.

MARKHAM ASSOCIATION OF RESIDENTIAL CONDOMINIUM OWNERS

The Chair: The group we're moving to now is the Markham Association of Residential Condominium Owners, if they would come forward. For the record, would you state your name and whatever else.

Mr Malcolm Stanley: My name is Malcolm Stanley. I'm a past president of the Markham Association of Residential Condominium Owners. The gentleman to my left is the current president, George Sauvé. We are submitting this on behalf of three condominium associations, the Markham association, the Richmond Hill association and the Vaughan association, of residential condominium owners. These associations represent over 10,000 units inhabited by many thousands of owners and residents.

We're pleased that the ministry has seen fit to revise the Condominium Act and applaud the many improvements in the new version. We do have reservations, however, about the tendency of many sections to restrict condominium boards unnecessarily and unreasonably in the discharge of their duties. We draw your attention below to these sections and point out the very real possibility that, if they are enacted, the boards will be so emasculated that they will resign, and the ministry will be

required to appoint administrators to run the province's condominiums.

To illustrate, clause 98(2)(c) would require most high-rise condominium boards to call meetings of owners six, eight or a dozen times a year at a cost of almost \$1,000 each. To call a meeting in our case costs at least \$800. The section says that any condominium that is going to spend \$1,000 or more on altering the common elements must call a meeting of owners to get approval to do that. In effect, this would render the board useless and turn the operation of the corporation over to the owners. After the first few meetings required under this section, the owners wouldn't respond and the board would be forced to resign. Furthermore, subsection (3) of the same section would see the board sending out innumerable notices and generating a paper flurry that would overwhelm the owners and necessitate the hiring of extra secretarial staff.

Subsection (4) would render the whole exercise pointless because it's virtually impossible to get a 66% turnout at meetings, except perhaps at the annual general meeting in some corporations. This is because of the tendency of most owners, having elected their board and given them their confidence, to leave matters in their hands, and the fact that at any given time approximately 25% of the owners may be at the cottage in the summer or down south in the winter, and half of the remainder may be either unwell or in hospital — there are many elderly people in condominiums — or they may be of foreign extraction and normally reluctant to participate in the public affairs of the condominium or they may be unfamiliar with the language and/or they may be reclusive by nature, seeing condominium living as a haven where they may lead undisturbed, uninvolved lives.

Nothing in the above is by way of criticism of the owners. It is, however, a description of things as they are and maybe as they should be. People have a right to keep their heads low.

Another reason we can't get 66% of the owners out is that some owners, many in some instances, are absentee landlords who show little interest in the affairs of the corporation, which is regrettable. In view of the makeup of our populations, therefore, it's understandable that the collection of proxies is very difficult and that getting people to stand for office is very difficult.

1730

Accordingly, you will understand readily that we find clause 31(3)(b) to be offensive, unnecessary and unreasonable. This is the six-year clause, and we feel it's a gross interference with the democratic process and a denial of the right of owners to elect whomever they please. We know of many corporations within our own associations which would have been unable to elect a full board if this clause had been enforced. The question naturally presents itself: Would the legislators at Queen's Park impose the same restriction on themselves, to serve only six consecutive years? Why impose it on us?

We are extremely upset over some proposals regarding the reserve fund and would like to make the point that the act clearly sets out the appropriate conditions for oper-

ating this fund, namely, (a) the necessity of commissioning periodic reserve fund studies, (b) the necessity of developing a plan to implement the requirements of the study of moment, (c) the necessity of informing the owners of the details of the plan, and (d) the necessity of replenishing shortfalls in the reserve fund, as required, to implement the plan. This is entirely reasonable, and nothing further need be said. Hence, we see no need for the rest of that section or for regulations which would restrict boards further. Everything is there that is needed.

We fear that those responsible for executing reserve fund studies may be under the impression that it's necessary to ensure that there is enough money in the fund to pay for all foreseeable items, even for the next 30 years. However, as a practical matter, adjusting the amount set aside in a reserve fund is not an emergency problem. Any necessary change can be made once a year at the time the budget and monthly assessments are decided. That would cause less confusion for the owners and allow the owners to express their views on the changes at the annual general meeting.

With regard to levels of approval required for various kinds of decisions, we find that in a democracy a simple majority of those present and voting, if there is a quorum, is generally regarded as sufficient to decide an issue. In the Legislature this is true even in votes on major issues. Yet it appears that the declarations handed down by developers, sometimes with a crippling effect on future boards, are accorded the status of the Constitution of Canada and cannot be amended without the written consent of the declarant. This is outrageous, and the percentages demanded in clauses 108(2)(d) and (e) are totally unrealizable as indicated above. Here you're required to get a 90% approval or an 80% approval. This is impossible the way condominiums act. Therefore, there doesn't seem to be any need to establish different percentages of approval for different issues in the affairs of condominium corporations. If a majority of owners approve a measure, that should be sufficient. However, due to the difficulty many corporations have in getting more than half the owners to attend a meeting, there must be some means provided, such as special proxy forms or forms for approval in writing, so that all major issues can truly be approved by a majority of owners.

It is suggested that the quorum for all meetings of owners be at least 50% of owners in person or represented by proxies and that all major issues, such as rules, bylaws, budgets, spending or borrowing authority, changes to the declaration or description and substantial improvements, be approved by a majority of the owners either in person or at the meeting or in writing. That would make it easier for the owners to understand the process and therefore to actively participate in making the decisions.

The remainder of the items drawn to your attention are perhaps less important. The GTA has referred to occupancy standards, and we would suggest that perhaps the section needs to be aware that there may be cases where the municipality does not have a bylaw concerning occupancy standards and therefore, to cover that case, perhaps the subsection could be added as we suggest, 57(2).

With regard to notice to owners in subsection 23(2), the purpose here is not readily apparent, because a decision to commence a legal action is surely one of the normal responsibilities of a board and there's no suggestion in this section that any approval by the owners is necessary before commencing an action. Therefore, this subsection could be omitted. It should be sufficient to keep the owners informed by including information with other information sent to the owners, for example, in a monthly newsletter. The proposed subsection would add unnecessary delay and expense without benefiting anyone.

We see in the reserve funds studies section reference to "prescribed classes of persons," prescribed classes of everything. Surely the persons authorized to conduct reserve fund studies are competent — in fact, they must be by virtue of proposed regulations — to distinguish differences among different types of condominium corporations. We don't see a need to establish in law these differences. The reserve fund necessary for a townhouse condominium corporation will necessarily be different from that of a high-rise corporation, and the persons conducting the study will necessarily know this and take it into account. We feel that there's a tendency here to legislate things that are unnecessary.

Some clauses appear to us to require clarification to avoid confusion and error. I mentioned, for example, subsection 47(10). This seems to prohibit additions to the agenda of a meeting of the condominium corporation under new business. It says nothing may be discussed except what is in the agenda sent out in the notice of meeting. What has happened to the notion of new business and the freedom of people to raise for discussion matters which the board had not recognized as pertinent or important at the time of setting the agenda?

In subsection 95(8) the review required at the board level of reserve fund study seems to imply the right of the board to question items in the reserve fund study, and we would like that clarified and perhaps to challenge the authors of the study before developing the board's plan. Clause 9(a) seems to give the board the final say in matters of disagreement with the authors of the study, and I think it would be well if this were to be clarified.

In this section, "prescribed class," "prescribed times," "standards" and "prescribed class of persons" all lack definition and have ominous overtones. As said before, we fear that too much is being legislated and we are apprehensive about forthcoming regulations which may further interfere with the rights of boards to manage the affairs of their corporations.

In addition to the above, there are two general suggestions which we propose. One is the way in which the proposed act affects existing condominium corporations as distinct from new condominium corporations. Perhaps the arrangement and the grouping of the sections in the act could be altered to separate those sections that apply only to new condominium corporations from the sections that apply to other condominium corporations. That might make it easier for owners to understand the act and, as a result, take a more active interest in the affairs of the condominium.

We're delighted that the ministry has shown a willingness to listen to condominium owners, as the GTA emphasized. There are many, many people who appear to speak for condominium owners but the fact is that only owners speak for owners, not management companies or other institutions, though we applaud their efforts to improve the act. As you can see, there are some ways in which we disagree with what they have said. After all, it's the interests of the consumers, in this case condominium owners that should be of paramount importance. We recognize that the committee and the government has not had a lot of time to look at these suggestions, but we look forward to working with all of you to make sure that the legislation works properly for all parties involved.

We thank you again for allowing us to discuss this important piece of legislation with you.

The Chair: Thank you very much for your presentation. We have about a couple of minutes per caucus, and I'll start with the government side.

1740

Mrs Ross: Thank you very much for your presentation. I just want to point out, and I know you're aware, that the ministry has been working for a couple of years on this legislation, particularly with former parliamentary assistant Jim Flaherty through the consultation process. This piece of legislation is a consensus piece of legislation, trying to find a balance between owners, developers, managers and that sort of thing. I want to talk to a couple of points you raised in your paper. On page 2, you talked about the 66% turnout at meetings. My understanding with the previous act was that representation was at 80%. Is that correct? You were saying you thought 66% would be too hard to attain, that you'd never get 66%, yet previously it was at 80%.

Mr Stanley: As I understand it, subsection 98(4) requires a 66% approval of spending of \$1,000 or more.

Mrs Ross: Right. My question to you is, do you believe there should be some representation or should it be left up to the board to make that determination on their own?

Mr Stanley: No, 50% would be a realizable turnout. But I'm saying that the board should not be handcuffed when it comes to expenditures of \$1,000 or more. I can cite for you that in our own condominium in the last year we have had six or eight unexpected expenditures well over \$1,000 — \$2,000, \$2,500, \$10,000. New computers: You have to go to the owners to get approval for that? You'd be forever calling meetings, and no one would come.

Mrs Ross: I want to ask you about the term of directors. A couple of people have raised that in their presentation. You don't believe there should be a set period of time, as you stated, but other people look at it from the opposite point. I think you were here when someone made the presentation that in fact some of the people on the board had been there for 20 years and there was no new blood and they really felt it was important that they have some new people on the board. What's your reaction to that?

Mr Stanley: My reaction is that the electors should not elect them. If they're elected every time they stand for office, that's all the democratic process asks, whether it's in the Legislature or anywhere else.

Mr George Sauvé: Excuse me. With all due respect to the previous comments, they're not exactly lining up for this job, a non-paying job to sit on a board. When you can find qualified people who are prepared to put the time and effort in, believe me, you stay with them. We could cite a dozen instances in our own MARCO group where this applies.

Mrs Ross: I understand that, and I appreciate that as well. Thank you very much. We will look at your recommendations.

The Chair: Just one quick comment from Mr Wettlaufer.

Mr Wettlaufer: It's a clarification. Mr Stanley, regarding subsection 57(2) on page 4, you say that when the municipality does not have set occupancy standards, you want the board to make a bylaw to establish standards. Is the maximum occupancy to be not less than two persons per bedroom or not more than?

Mr Stanley: Not less than. That is to say it would be unreasonable to say there could only be one occupant per bedroom. It's not unreasonable to say that two is permissible.

Mr Wettlaufer: But not more than two. What about 15 persons per bedroom?

Mr Stanley: No way.

Mr Wettlaufer: That's what your section says here.

Mr Stanley: I see the point, and I take your point well. I'm sorry about that.

The Chair: Good point, Mr Wettlaufer. Mr Colle, you have a comment?

Mr Colle: This point about term limits, I was wondering where this came from.

Mr Stanley: I can tell you. It's a sad story. The gentleman who was originally appointed to represent the Markham association and Richmond Hill association introduced this because he is at odds with his own condominium board and is suing them. He finds them incompetent and thinks they should not be allowed to stand for re-election. He did this without consulting our two associations, and we have since repudiated him when we found out about it. He no longer speaks for us. That is why he appeared this morning speaking for himself, ostensibly for Richmond Hill. But we assure you that Vaughan and Richmond Hill and MARCO have approved this document. We approve in large part what Mr Gamus said this morning, except that we feel the purpose of this hearing is to point out areas where owners and other groups feel the act could be improved. Mr Gamus seems to think that it should be passed holus-bolus now, and that would include the six-year clause.

Mr Colle: Basically, right now there are no term limits, there never have been, and all of a sudden the act is proposing a six-year term limit. Most of the board of directors are essentially people who are volunteering their time and services. How many hours would you say a week or a month would a director volunteer?

Mr Stanley: This would depend in large part on the function on the board of that director. Now, the president is the one who carries the load. In my case, I couldn't begin to count the hours. There are directors who don't occupy a specific function like secretary or treasurer, but all of those persons spend less time in the business of managing the corporation than the president.

Mr Colle: My in-laws live in a condo, and they're saying that whenever they have their general meetings it's very difficult to get volunteers to come forward and be part of it.

Mr Stanley: Yes, they like to keep their heads down, and that's their right. But if you have willing people, why prevent them from running?

Mr Colle: You feel that a term limit would be very restrictive and harmful to the volunteerism and basically the participation rate.

Mr Stanley: We can point to many cases where, if it had been in effect, the board could not have been elected; there were not enough people standing for election, and you could not have constituted a board. The ministry would have had to appoint an administrator.

Mr Sauvé: Excuse me. Can I ask Mr Stanley to comment? Let me cite our own condominium as an example. Our building is 23 years old. We've spent in the neighbourhood of \$2 million on major restorations in approximately the last six years. The time that is required is obviously much greater in an older building because you have all of these major restorations. We meet biweekly with the engineering firm and the contractor and our ad hoc committee to oversee these major jobs, and that has been going on for five years. So it would depend on the size and age of the building. As president, I reiterate what Mr Stanley said, that the president is much more involved. I couldn't count, as Mr Stanley mentioned, the number of hours I've spent.

Mr Colle: So both of you would basically be not able to run again if this —

Mr Sauvé: Absolutely, that's our point.

The Chair: Thank you. M. Morin, do you have any comments or questions?

Mr Blain Morin: Yes. I would like to commend you for your presentation as well as indicate that I really agree with what you're saying about re-election of members of the board of directors in condominiums and agree that it should not be restricted to a six-year term. That's democracy. I agree with you.

The Chair: I'm not surprised that M. Morin would say that, because he would have to consult with Mr Laughren, who was here for almost 25 years. With his recent victory in the by-election in Nickel Belt, he's expecting to be here longer than six years.

M. Stanley: Bonne chance, monsieur.

M. Blain Morin: Merci.

The Chair: Thank you very much for your presentation. At this point, the committee stands adjourned. I would ask the members of the committee to stay with me for a moment until we go over a few scheduling issues.

The committee adjourned at 1749.

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**Legislative Assembly
of Ontario**

Second Session, 36th Parliament

**Assemblée législative
de l'Ontario**

Deuxième session, 36^e législature

**Official Report
of Debates
(Hansard)**

Wednesday 28 October 1998

**Journal
des débats
(Hansard)**

Mercredi 28 octobre 1998

**Standing committee on
general government**

Condominium Act, 1998

**Comité permanent des
affaires gouvernementales**

Loi de 1998 sur les condominiums



Chair: John R. O'Toole
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 28 October 1998

Mercredi 28 octobre 1998

The committee met at 0947 in committee room 1.

CONDOMINIUM ACT, 1998

LOI DE 1998

SUR LES CONDOMINIUMS

Consideration of Bill 38, An Act to revise the law relating to condominium corporations, to amend the Ontario New Home Warranties Plan Act and to make other related amendments / Projet de loi 38, Loi révisant des lois en ce qui concerne les associations condominiales, modifiant la Loi sur le régime de garanties des logements neufs de l'Ontario et apportant d'autres modifications connexes.

The Chair (Mr John O'Toole): I'd like to convene this session for the hearings on Bill 38. Also, for the record, the clerk has just advised me that all the caucuses had been advised that this meeting was to start at 9:40 and, out of respect to the deputants, we would ask to go forward and hear those comments.

CANADIAN CONDOMINIUM INSTITUTE,
GOLDEN HORSESHOE CHAPTER

The Chair: I'm going to call the Canadian Condominium Institute, Golden Horseshoe chapter. Could you approach the desk and, for the record, pronounce your name and the organization you're representing. You have 20 minutes to use as you wish.

Mr Ron Danks: Good morning. My name is Ron Danks, president of the Golden Horseshoe chapter of the Canadian Condominium Institute. Our chapter takes in a territory bounded by Niagara Falls, Welland, Kitchener, Guelph, through to Oakville. Our membership is drawn primarily from the Hamilton-Wentworth and Halton areas where we represent in excess of 11,500 residential condominium units and roughly 30,000 adults living in those units.

Our membership has been very involved in the development of the new legislation, working through the working draft and lately Bill 38. We have conducted a number of polls of our membership, questions and answers at numerous seminars, and of course we've received many written submissions from our membership. As a result of that, we've also participated in the ACMO/CCI joint committee and we wholly support the recommendations

contained in the submission made by that group, of which I am also a member.

Our chapter, our membership specifically, would like to focus today, if we could, on five issues that we feel very strongly about.

First of all, we'd like to start by saying that we applaud the new legislation and we look forward to it being enacted as soon as it can. We do believe, however, that this is, practically speaking, the last opportunity we may have to fine-tune some of the provisions that are there so that what we end up with is not only a good piece of legislation but a workable piece of legislation for the people out there who are going to be dealing with it on a day-to-day basis, specifically our membership, the owners, the boards of directors and the property managers.

The first item I'd like to address is subsection 31(13), director's re-election, and the restriction on a director to only serve two terms before they are required to step down. Our membership feels very strongly about this and would like it removed. They do not believe it's necessary. There may have been a few occasions when perhaps a declarant board retained control for too long or a group of investors may have held on to a board or control of a board, but by far, 95% to 98% of the condos out there are made up of owners on the board. They will always have owners on the board.

The time it takes to train a new director — it's at least three years just to get a good feel of this condo, this community, what the background is, what the needs are. When you get into your second term, you're really coming into your prime as a director, and many corporations do have directors who have served, two, three and sometimes four or five terms. The owners don't object to that. They re-elect them through the elections every three years. There are opportunities and provisions available under the legislation to remove a director, either by not voting for them next time around or removing them early if they find that they're not performing their duties. So our membership feels very strongly that to restrict to two terms would deprive the corporations of experienced directors who, generally speaking, all do a very good job of what they're doing.

The next item I'd like to talk about is the performance audit. This is the engineering investigation that's required to be completed within the first year of the registration of a new condominium. The idea of this was that it would force, in some cases, developers who retain control of the

corporation for a little bit too long and, in most cases, the first board of directors, to get some kind of study done of the complex and submit it to the Ontario home warranty program to ensure that their interests are protected. The problem with the language in this is that it's somewhat reinventing the wheel. It's a standard procedure now for a corporation to obtain what's called a technical audit within that first year. A technical audit is a thorough investigation of all the common elements of the corporation finalized in report form and then normally submitted by the corporation to the warranty program in support of any deficiency claims that report might reveal.

The performance audit that's described in the legislation is something short of a technical audit. It deals with only the major components. The problem this will cause is that it's really forcing the condominium corporations to buy two engineering studies. One is the performance audit, as required under legislation, and the second one will be to acquire a technical audit to fill in all the gaps that the performance audit doesn't cover. Since all of those costs are going to be picked up by the homeowners in that condominium, we believe the provision respecting the performance audit should be amended to reflect that the study must encompass all of the common elements and assets of the corporation. Assets include units that the corporation may own that have service facilities such as transformers or water pumps. It's not uncommon to see that kind of set-up.

Another issue that gives us a lot of concern is the definition of a substantial change or alteration to the common elements under section 98. Currently it's really up to the board of directors working with the unit owners to determine whether a proposed alteration such as a major renovation of a lobby or something along those lines is considered to be substantial or not. A lot of factors are taken into consideration. Cost is certainly one of them, but it's not the determining factor in a lot of situations. It doesn't cost a lot of money, for example, to tear down a recreational centre. In fact, I have a file right now in my practice where a condominium wishes to do that. The cost of tearing it down will amount to something less than 5% of their total budget, but certainly the impact on the owners will be substantial because they'll be deprived of this recreational centre.

On the flip side of this, we have situations where condominiums are entering into energy retrofit projects, converting from hydro-electric heat to gas, which is encouraged by all levels of government. The initial upfront cost to do that conversion could be a substantial amount of money, given the size of the corporation. However, the savings generated on a yearly basis, almost immediately, amount to tens of thousands and in some cases hundreds of thousands of dollars over the next five to 10 years. In fact, these energy retrofits often pay for themselves within five years. So cost alone, again, is not the determining factor in whether those kinds of alterations — the alterations it would be necessary to retrofit — are substantial or not.

We're asking that this provision be deleted. Let the owners and the boards of directors decide what is sub-

stantial and what is not. All we're asking for is a definition. The voting requirements at 66 2/3 is fine. The omission of the buyback provision for owners who disagree with the vote is fine because there are other remedies available. The oppression remedy is available to deal with those situations.

The issue of insurance deductibles, section 106, is another great concern for condominium corporations. The average condominium corporation is going to have deductibles, depending upon the type of claim, ranging from \$500 to \$5,000, which is becoming quite common, especially for water damage claims. It's becoming an increasingly severe burden on a lot of condominium corporations to try to pay for those deductibles in the face of sometimes numerous claims when you have a major storm, such as the two hurricanes or the tail ends of the hurricanes we had a few years ago.

We appreciate the fact that deductibles can be collected where damage occurs to a unit which is caused by an act or omission of the owner. We just don't believe it reflects the current law. There's been an appeal court decision recently that sets out very nicely what the law in Ontario is today on the issue of collecting deductibles from owners. The damage must not be limited just to the units, because in many cases the most severe damage is caused to the common elements and other units. For example, in your typical water damage claim, somebody's messing with their plumbing or whatever and all of a sudden you have five or six units below that are flooded out. Restricting the ability of the corporation to just claiming damages to the unit — the unit itself where the damage originated may have very little damage. It may just be a matter of going in and mopping up the water on the bathroom floor and shutting off the pipes. Most of the damage has occurred to the common elements and the other units.

We'd like to see that clause expanded to include damage to the other units and common elements, and not necessarily require that the owner do some act or omission that results in the damage. The average homeowner insurance has deductibles, and the deductible applies whether it was something that we deliberately did or something that just happened — the toilet seal going or the pipe bursting for no apparent reason. If it's ours, if it's in our house, we're responsible for the deductible. We're suggesting that the same rules apply essentially to condominium homeowners, to also defeat, in a large sense, the nuisance claims where people are deliberately damaging carpeting and things like that to get replacement under the insurance for the corporation.

Another area that we have some very big concerns about is the clause under subsection 133(4) involving disagreements between corporations and owners. We like the idea of requiring mediation and arbitration. We're concerned, however, that the way the clause is drafted, it infers that any dispute in respect of a declaration, bylaw or rule would have to go to mediation and, failing mediation, arbitration through the Arbitration Act.

The problem with that is, if somebody is breaching a rule, if they're causing a nuisance, if they're having wild parties every Saturday night, and the corporation makes an effort to enforce that rule, that person says, "Well, the rule's not reasonable; it wasn't enacted properly," and all of a sudden, do we have to go through a mediation process and, if that's not successful, through an arbitration process? This in reality can take months and months to complete and costs the corporation and the homeowner quite literally thousands of dollars, because mediation isn't free and neither is arbitration. In many cases, the cost of mediation and arbitration can exceed the legal costs of going for a compliance order under section 135 of the act, the new legislation.

Therefore, we'd like to see subsection 133(4) — and it would have to be tidied up in section 135 as well — amended to make it clear that mediation and arbitration are not required where a breach of the rules or a breach of a provision in the declaration bylaws or the act, for that matter, occurs. In other words, give the corporation the right to immediately proceed to a judge to get an order where you have these kinds of things going on, such as the nuisance, such as ongoing damage to the property, harassment of other owners and some of the more serious issues that corporations are faced with from time to time.

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We'd also like to suggest that the clause be expanded to include disputes between the corporation and owners respecting interpretations of the act itself, as well as joint bylaws and joint rules. There are other provisions in the legislation which allow phased corporations to create joint bylaws and joint rules that affect all of those corporations. Mediation would seem to be the best method of solving a dispute, say, between the corporation and an owner over one of those as well. It's simply a matter of expanding the language somewhat.

Last is the oppression remedy, subsection 136(4). We're suggesting or recommending there that a clause or a sentence be added to make it clear that if mediation and arbitration have been tried and a decision or a settlement has been reached, the oppression remedy should not be made available to deal with that same issue or substantially that same issue. This is simply to avoid a multiplicity of actions and an owner who's determined to further their personal agenda from carrying it on and on and on to the detriment of the corporation and the cost of all the other owners.

I think at that point I'll end my presentation. I'd certainly be available for any questions.

The Chair: Thank you for your presentation. There are about four minutes remaining, so I would ask for a very quick question or comment from each of the caucuses, starting with the Liberal caucus.

Mr Mario Sergio (Yorkview): I don't have a specific question. I was interested in listening to the presentation and I'm pleased that he has taken the time to come down. I've made some notes and I have no specific questions. Thank you.

Mr Wayne Lessard (Windsor-Riverside): Same.

The Chair: For the government side, Ms Munro.

Mrs Julia Munro (Durham-York): I just wanted to ask you a question in reference to the issue of the term of a director. You indicated that it takes a few years for people to be comfortable and therefore you feel that six years would mean that you're putting a limit on the opportunity for the expertise of people. We've heard from others who have indicated their support for that kind of time limit. As it stands now, there isn't any kind of time limit. I'm just wondering whether or not you see any virtue in — if it's not six years, should there be something in the legislation that does give people that kind of limit?

Mr Danks: No, I don't think there should be. I think there are opportunities under the legislation where a group of owners feel that perhaps it's time that a particular director step down. The options are that you don't vote for them next time around, obviously, or you use the ability to remove a director early from their term of office.

You have to consider too that there are literally hundreds, perhaps thousands of condominiums in Ontario that are comprised of no more than 15 or 20 units. You have a very small pool of expertise to draw on. Traditionally in those situations you get the same directors coming back every year, because nobody else wants the job in a lot of cases. It would be a real burden on those small corporations to impose this restriction on them, because you may end up some year with vacancies on the board that just can't be filled.

Mr Douglas B. Ford (Etobicoke-Humber): I'd like your opinion on the insurance aspect of the condominium. Do you think the condominium management or whoever is running that condominium should carry the insurance or the individual dwelling owner should carry the insurance or extended insurance? In other words, if the condominium association carries the insurance, they download it to the various tenants within that building, but do they carry their personal insurance?

Mr Danks: No. The way it is today is, the condominium corporation will maintain a policy of insurance to cover both the common elements and the units as originally built. So your basic model, if you like, the day it was first occupied, is covered by the insurance of the corporation. That shouldn't be changed, because the intent was to avoid what we call the black hole theory, the fact that somebody could not carry insurance, the unit could burn down and you're left with this empty shell.

The homeowners should, and do normally, obtain their own unit policy to cover their contents, liability and their betterments and improvements. Under the legislation, you've proposed the ability of a corporation to define what is a standard unit for insurance purposes. I think that will go a long way to clearing up any question about who has to insure what inside their unit.

Mr Ford: That's what I'm questioning, because of the water damage you were talking about.

The Chair: Thank you, Mr Ford. We're out of time.

Thank you very much for your deputation and thank you for the questions.

DEACON, SPEARS, FEDSON
AND MONTIZAMBERT

The Chair: At this point, we will call the next deputation, which is Deacon, Spears, Fedson and Montizambert. If you could put your name on the record for the members of the committee and Hansard, you have 20 minutes in which to make your presentation and/or share for questions.

Mr John Deacon: My name is John Deacon. I'm senior partner in the firm Deacon, Spears, Fedson and Montizambert. I've practised condominium corporation law in Ontario for the past 21 years, and the firm currently acts on behalf of approximately 250 to 300 condominium corporations throughout the province. On behalf of my law firm, Deacon, Spears, Fedson and Montizambert, I thank you for allowing us this opportunity to express our views on the proposed amendments to the Condominium Act contained in Bill 38.

Our firm, to avoid conflict, does not act on behalf of either developers or property managers. Accordingly, the recommendations that are contained in this presentation reflect the needs of condominium boards of directors and owners, at least as we perceive them as their legal counsel. I'm also a member of the condominium sub-committee of the Canadian Bar Association and have had numerous discussions over the previous years with ministry staff, which led to the preparation and amendment of the current act, as well as drafts leading to the proposed bill.

I have enumerated six areas that I would like to specify in today's presentation. I would certainly like to thank Ron Danks for his presentation, which I thought echoed some of the aspects that I have selected for today, and I would like to generally throw my support behind the good work that CCI and ACMO have done in presenting a detailed report to you. I agree with the presentations that have been made to date indicating that this is a consensus of those generally involved in the industry, but I also would say that there's some cleanup work that needs to be done. It's certainly a lot better to do it at this stage than have representatives coming after the enactment of the bill, saying: "This doesn't work. We have to work to improve it."

The areas I'd like to deal with are reserve funds and the use of reserve funds; the cost of work done by the condominium corporation for a unit owner; agreements by which owners may alter common elements; communication control units, which you've heard about before; and the narrow ambit of a performance audit, which Ron Danks has also dealt with this morning; as well as court compliance orders and mediation, which is of general concern to the profession.

Use of reserve funds: My view is that Bill 38 clearly recognizes the importance of adequate reserve funds to ensure the continued viability of the condominium form of property ownership, and I applaud it. Unfortunately, the provisions of sections 94, 95 and 96 only deal adequately with the requirements to contribute to the reserve and

leave a large loophole with respect to the use of the fund that could result in inadequate reserve funds. While section 95 requires the reserve fund study, preparation of a plan and implementation of that plan, and I think is workable in that respect, it does not limit expenditures from the reserve fund, other than to say it's for the purpose of major repair and replacement of common elements and assets.

That very broad definition allows the following abuse: Many boards of directors, which are elected to try and keep the common expenses at their lowest possible level — I'm sure you're all aware of this; keep taxes down and keep services up — are very tempted, if they're approaching an operating deficit, to pay as much as possible from the reserve funds if possibly included in the definition of "major repair and replacement." On the other hand, they're trying to reduce the amount that they contribute to the reserves and they might be tempted to say: "The townhouse painting, the wallpapering of the hallways and other borderline issues we don't have to really calculate. We'll handle those out of our maintenance payments." They're not bound by that decision, and when they come to us and ask for an opinion as to whether they can pay the cost of wallpapering from the reserves, the answer is yes, they can, and it results in a deficient reserve.

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I believe it would be a very simple matter to correct by amending the provision — I believe it's subsections 94(2) and 96(1), both of which say the same thing — to limit the expenditure side to major repair and replacement of only those parts of the common elements and assets of the corporation that form part of the plan implemented by the board of directors pursuant to subsection 95(10). If the plan is calculated to include wallpapering the hallways, fine, they can use the money out of the reserve to pay for the wallpapering. If the plan is not calculated to include that, then even though that's major repair and replacement, they can't spend reserves on it. I think that would assist in preserving the integrity of the reserve fund, which as I say, is very important.

The second item is section 93, cost of work done by the condominium corporation for a unit owner. The ACMO-CCI brief has also dealt with this section. It's an essential section to provide an efficient out-of-court remedy should a situation occur where the condominium has to step in and do repairs that a unit owner should do. Examples are cleaning out lint from dryer vents, which can result in a fire; failure of an owner to properly install dishwasher or clothes washer hoses — this frequently results in serious flooding in high-rise developments; or failure of an owner to recaulk shower tiles, resulting in mould or ceiling collapse in units below.

All of those three examples may or may not be covered by the definition of "repair." CCI-ACMO had suggested a broader definition, that it be "repair or maintenance" with respect to the owner's obligation in his unit to avoid this problem. The dryer vent may run, for example, from the unit to the common elements. No one really knows exactly whose responsibility it is in different places, but the

condominium corporation, in order to protect the building and the other owners, needs to ensure that proper maintenance is done, so I recommend acceptance of the ACMO-CCI expanded definition.

Thirdly, section 99: Agreements by which owners may alter common elements. This is the type of situation where an owner is installing a skylight through their roof, which may comprise part of the common elements — it usually does — perhaps adding a deck to the rear yard common elements area or a balcony enclosure in a high-rise, provided it's consented to by the board and properly engineered. There has not been a mechanism in the old act to allow this kind of owner alteration; in fact, the old act was very restrictive.

This new provision is excellent. It just needs one little clarification. All the work that's been done to date by responsible condominium corporations to arrange for these agreements, of which there are many — I've talked to a number of other lawyers, all of whom have the same sort of procedure. They approve the alterations and make sure that the owners accept them, review the specifications and then enter into an agreement and register that agreement on title. For every agreement to be reapproved and re-registered would literally be a nightmare for many corporations. I think it could be cleaned up simply by a transitional provision that existing registered agreements be accepted and enforceable in the same manner as agreements contemplated under section 99.

When you saw me last Thursday as a member of the C3 panel, the Condominium Cable Communications Committee, we strongly recommended certain amendments to section 22. I'm not going to spend extra time today restating the position. However, I would like to say that it remains a source of serious aggravation to homeowner boards to have a developer who retains ownership in a portion of the property in the condominium for the sole purpose of profiting in supplying the television signal to the residents.

Some of the provisions in section 22 ameliorate that somewhat, and I can understand the ministry's reluctance to proceed with retroactive legislation depriving developers of a property right. I simply regret that the Condominium Act is so generally worded that it can include this kind of a violation of what I consider the general spirit and understanding of condominium. However, all I can do is restate the C3's position and recommend that the amendments, specifically clause 22(2)(d), be accepted by the committee in considering your clause-by-clause debate.

Section 44 has been dealt with somewhat by my colleague Ron Danks. I'd just like to confirm that the narrow ambit of the performance audit is going to create a serious problem. The courts have clearly indicated in construction deficiency lawsuits that there are claims that go well beyond those covered by the warranty program, and for the condominium corporation to have to have a second technical audit just to cover those claims doesn't make a lot of sense. It may make sense to require both, a technical audit-oriented claim to be prepared and

submitted within the one year as required, and that's a very good provision, plus the technical audit which covers all other items that may form the basis for a claim by the condominium corporation in breach of contract or in negligence.

Finally, section 135, dealing with mediation and compliance orders. Like Ron Danks, I agree that mediation and the direction towards mediation of disputes is very useful. However, there are many disputes that just cannot form the subject matter of mediation. If there's an issue of a nuisance dog, it's not going to be resolved by mediation when the issue is whether the dog is a nuisance or not. If it's an issue of noise or nuisance, sometimes they can be resolved by mediation but in most cases not. With improperly altered common elements such as where the owner has put up — there's a court case on this one — an awning over the front of the unit and won't take it down, mediation isn't going to help. They'll string out as long as possible the legal proceedings. Stringing out those proceedings, through mediation, which is mandatory; arbitration, the mandatory second step; and then finally a court application — is going to cost, in time and money, both the condominium corporation and the offending resident a significant amount.

The simplified court application process is an efficient method of handling the situation. It's well tried. Most condominium law firms are handling these in a very efficient manner with low cost, and in the event that it's abused and the court feels it wasn't a proper item to bring before the court, the condominium corporation could be penalized in costs awarded against it. We recommend clarifying the wording that the mediation and arbitration provisions are only compulsory in the issues that are identified in section 133 and not the enforcement steps of section 135.

We conclude our presentation, again, by urging favourable consideration of the joint recommendations by ACMO/CCI, of which you've heard several presentations already — I understand there are two more for later today — as well as the issues raised above. It is certainly not possible to have a perfect bill, and we recognize time constraints and the general consensus in favour of swift enactment, which I myself would strongly urge the committee towards. But if we can deal with specific issues in the clause-by-clause approval, it will avoid the bill's becoming perhaps outdated at a sooner date.

I know that with the pressure that's been on the various governments for the last 10 years, starting with the Liberals, the NDP and now the Conservatives, you've seen that there has been a really large number of items that needed to be corrected. So I recommend, incorporating as many as possible of the CCI-ACMO amendments that you see fit to enact, as well as the items that I've mentioned in my presentation. I'll stop my presentation at this point.

The Chair: Thank you very much, Mr Deacon, for your presentation. That would leave about two and a half minutes per caucus, and I would start with Mr Lessard from the NDP caucus.

Mr Lessard: I just have one question and that's with respect to the mediation and arbitration sections. What mechanism are you suggesting instead of what you were referring to as compulsory, I guess?

Mr Deacon: Mediation is always available with the consent of the parties, but right now enforcement takes place pursuant to section 49 of the existing act, which is a simple court application. It's not an action; it's an application that involves simply a draft order and an affidavit that's presented to a court on short notice to the owner. The owner attends informally and the matter is determined by the court. As I say, that has been the operating situation now for 15 or 20 years, and there hasn't been a real problem with it. It's not something that unfairly oppresses either side and it's not a particularly costly process, so I don't think we need to reinvent it by putting in two preliminary steps of mediation and arbitration before a court order can be obtained in certain situations.

1020

Mrs Lillian Ross (Hamilton West): I just want to follow up on that mediation. Is it your understanding or belief that in some cases mediation is the proper way to go, or are you saying that you shouldn't have mediation before going through that court process first?

Mr Deacon: I'm saying that it would be best to leave mediation to the discretion of the parties in the situation of a violation of the act, declaration, bylaws and enforcement thereof.

With respect to the four items, property management agreements, reciprocal agreements, and the others, I have no problem with requiring mediation. I think mediation would be of assistance. I know there was a significant effort made about 15 years ago by the ministry to try and establish Condominium Ontario with a situation of kitchen-table resolution of disputes. They actually went as far as training hearing officers, but it didn't quite get off the ground. I certainly would recommend a thoughtful approach to that, but I don't think it's useful to have a blanket requirement of all these steps in every situation.

Within the context of the wording of this bill, I can only say leave enforcement the way it is under the current act and, if you'd like to bring in mediation and arbitration, it's useful for these type of agreements, and perhaps over the next few years some kind of a system of isolating on the type of dispute that's useful to deal with through mediation and leaving others aside, could be enacted, but I don't think that this bill really can make that distinction at this point without significant input from the public.

Mr Ford: The questions I have are on section 94, the reserve fund. What percentage of the maintenance fees should be used in the reserve fund and what is the minimum that should be held in that?

The reason I ask this question is I have condominium units in my riding and on the 17th floor the exterior walls are separating from the building. I'm curious. Can you carry insurance on that, or what kind of guarantee do you have from the builders of condominium units that these

large buildings will be maintained? How long do they stay up?

Mr Deacon: They're supposed to stay up forever, and I guess that's the purpose of the reserve fund. The reserve fund is really a long-term budget —

Mr Ford: I realize that.

Mr Deacon: — designed to take into account all of these things, including the entire replacement of the exterior facade of the building, if necessary, perhaps every 50 years. The idea is that we'll all be long gone before any of these buildings need to be completely razed.

Mr Ford: On this one here their walls are separating about eight feet from the building itself. Now they've got units up there, and they're trying to repair them and different things of that nature. I just wondered if it's a liability for the builder, or is this insured, or is it in the condominium reserve funds? That's all I'm asking.

Mr Deacon: Well, there is a recent line of cases in Winnipeg, Condominium 12 and Bird, which is now holding a longer-term liability and liability and negligence against developers, including subcontractors, if there's an imminent danger caused by a recently occurring construction defect. There certainly is a long line of cases and warranty program cases dealing with liability for construction defects. General insurance would not cover that sort of an item.

Mr Ford: Some of these people go bankrupt or they change the name of their company after they build something, as you know.

Mr Deacon: That's correct. Unfortunately, the reserve fund requirement may well hit a condominium like that very hard if the reserve fund study required by this new act specifies a very large amount and perhaps a five-year term in the regulations to arrive at that amount, but somebody has to provide for it if there's no clear liability of another party.

The Chair: I would ask the Liberal caucus, Mr Sergio, do you have comments?

Mr Sergio: Thank you for your presentation. I would have a number of questions, but due to time, I'll try to do it in a couple of questions.

One is the relationship between management and the board of directors of the corporation. Many of the complaints that I get are about the close relationship that often may exist between the two. This often leaves the unit owners in limbo. With respect to the communication control unit, for example, how do you manage the situation when maybe a minority of the units owners say, "We don't want it, we don't need it and we don't want to pay for it"? How do you get around that?

Mr Deacon: On a communication control unit it's usually enshrined in the declaration, which up until now has required 100% consent of both the owners and the mortgagees, so it's virtually unamendable. There's nothing that the owners or the board or management can do.

But if I'm reading your question correctly, I too hear complaints from owners at annual meetings, which I attend typically, that management is not responsive and

the board is not adequately supervising management, or perhaps it's the tail wagging the dog and management is running the show and the board is unable to make them responsible. ACO has done a very good job in establishing standard-form management contracts and codes of ethics, which hopefully will go a long way to embarrassing the bad managers into complying.

Certainly there are remedies available to boards of directors to terminate management in certain circumstances. But if management and the board is too tightly bound and the owners don't agree with it, then the owners, as Ron Danks indicated, are left with their remedies to remove the board of directors under the provision of the Condominium Act or perhaps to commence an enforcement application under section 49 of the old act, or 135 of the new act, to ensure that the board of directors is carrying out their obligations. There is no easy answer to that question.

The Chair: Thank you very much for your presentation, Mr Deacon. I'm sure the committee is more informed.

For the record, I would like to take a moment to recognize that we have a visitor from the Legislature in Manitoba, JoAnn McKelvie-Korol who is a clerk assistant/journals clerk visiting the Ontario Legislature. I'd like to make note. Thank you for joining us this morning.

KEVIN CROWE

The Chair: At this point, I would call for the next deputation, Kevin Crowe. Do we have a Kevin Crowe in attendance? Come forward and, for the record, state your name and the organization you're representing.

Mr Kevin Crowe: My name's Kevin Crowe. I am a resident-owner at Peterborough Condominium Corp 2, meaning it's very old and is in Peterborough. I have to apologize; my hearing aid has lost its battery function so I need you to speak up if you want to ask me any questions.

Good morning, Mr Chairman and members of the standing committee. I would like to begin by apologizing. The follow speech was prepared within a short period of time. I don't have a copy of Bill 38 and I'm relying on a copy from the government Web site. I would also like to thank Mr Gordon for his help in clarifying certain sections of the bill, which caused me to hastily modify my thoughts.

I'm a resident-owner of a condominium unit registered as PCC 2 and I am also a director and treasurer of that condominium. Owner occupancy represents approximately 15% of the total 77 units. The year of incorporation was 1977. I've been a resident-owner for nine years and a director for two. I'm married and have two young lads, ages four and 10. I also volunteer as a director, currently vice-president, of a non-profit housing corporation these past three years.

Why did I buy a condo? It was affordable and we assumed the equity would increase and make it possible to

move up in a reasonable time frame. Unfortunately, the resale value is steadily decreasing.

The following are suggestions and possible amendments to Bill 38: One, I believe a conflict-of-interest handbook should be developed and be included in the bill as it applies to directors, managers, employees and all suppliers. I speak from my own experience in non-profit housing where we are provided with such a handbook. This handbook has been a very effective tool. The only reference I can understand relating to conflict of interest in Bill 38 is section 40, which only deals with the director's disclosure, and section 41, dealing with an officer's disclosure.

I understand I'm in a delicate situation, and guidance in certain circumstances would ease my conscience that I'm performing my duties properly and also protecting my home's best interests. Am I in conflict if I suggest to the board that my unit and others need a paint job? I have specific examples expressed in my correspondence and acknowledged by the Ministry of Consumer and Commercial Relations in 1994 and 1995. I have learned since that time to try to get co-operation instead of criticizing, but difference of opinion still exists and clarification is necessary.

Two, I greatly believe in mediation and arbitration. It never existed and the cost of pursuing owner co-operation was greatly expensive and in my opinion it took too long to take the necessary measures. I have been told by lawyers that if you've got two years and \$20,000 you may be able to do something.

1030

The other thing is, why should a tenant have an opportunity for mediation and not a resident owner? What is a mediator? Is he or she a government-appointed or private certified mediator? I would suggest the same mediator as is available to tenants.

Third, a clause should be added to section 126 that states that an owner should be entitled to a portion of the sale based on the last purchase price registered on title in the land registry office. The values of most condominiums purchased after 1989 are substantially less than at the time of purchase. If 80% of the owners purchased their condos for a very low amount in 1977, why should the remainder of owners take a substantial loss if theirs are in excess of \$75,000 to \$100,000 and the appraised resale value for all the units is at \$50,000?

Referring to section 31(3)(b), I would like to suggest that a board member may retain his or her seat if no candidates are willing or able to fill the position. In our condominium, it's very difficult to get participation on the board or even attendance at annual meetings. I have dreams of a maintenance committee and/or resident committee, but no responses to past requests have occurred. What a shame it is. I believe that a board of management could function much better.

The last suggestion, is to have a plain English document outlining the most important requirements available for each particular type of condominium, which can't be interpreted other than its true intent.

In closing, I would like to state that changes to the Condominium Act are necessary and that this bill is a vast improvement, but due to my family's current situation, I'm concerned. It's difficult to accept that our lifestyle and the value of our only major asset is determined by the decisions of so many non-resident owners and that we don't have the financial resources to enforce compliance.

I would like to thank the committee for allowing me to address my suggestions and concerns. Any questions?

The Chair: Thank you very much for your presentation, Mr Crowe. I would ask, starting with the government side, if there are any questions.

Mrs Munro: First of all, I want to thank you very much for coming here today and giving us your opinion. It's very important that we have the opportunity to hear from an individual. Clearly it's important to hear from others as well, but I think your personal experience obviously balances the impressions we have from those who represent others.

You raised the issue of the problem of the directors. In this piece of legislation, there has been suggestion made that it would be limited to six years. I just wondered what your experience is and how you would respond to that particular part of the legislation.

Mr Crowe: I had to almost try to convince the present board to have resident owners on the board of directors. The board of directors in my condominium has been there, I would say, since incorporation, and they still are there, which restricts new ideas and a different outlook and doesn't allow for difference of opinions without focusing on what they've been focusing on for the last 20 years.

Mrs Ross: Thank you very much for your presentation. You raised the concern about disclosure of directors, and I wanted to assure you that under sections 41 and 42 in fact a director has to disclose if he has any interest in any contract or transaction to which the corporation has committed, so it's very clear that disclosure is required and must be made. I just wanted to reassure you that was in place.

Mr Crowe: I just wanted it expanded to include management companies that are contracted out. We don't have a management company that is part of the corporation the same as the board of directors; we contract it out. I was hoping to have them be able to sign a conflict of interest, be aware of it and spell out what is a conflict without misinterpretation; the same with the board and any employees, that they sign a declaration that they are not in conflict and they have to stand by that and they understand the terms of the conflict.

Mrs Ross: But the board of directors does do that under section 40.

Mr Crowe: OK.

Mr Sergio: Mr Crowe, perhaps I misunderstood you when you said that you should be entitled to share the excess amount of money. What excess amount of money were you referring to?

Mr Crowe: Again, I'm doing this in a very short time frame of thought. I know how difficult that may be. I was more or less considering it on a percentage type of scale,

without having to go to the section of oppression and court action and so forth, just so that an owner who has purchased a unit is not handcuffed by the majority, the 80% of owners who have purchased them since inception.

Mr Sergio: Forgive me if I come back on the same question. I still don't have any idea which excess amount of money you, as an owner of a unit, if you were to sell, should be entitled to a percentage of. Are you talking about the reserve funds? Which excess money are you talking about?

Mr Crowe: I'm talking about the whole condominium corporation termination. If I purchased, let's say, at \$90,000 and because of the economy it dropped, but also possibly because of lack of maintenance or for whatever reason, and the value is now \$50,000, and at incorporation let's assume they paid \$30,000 to \$40,000, obviously they don't have as much to lose as I would.

Mr Sergio: I think I know what you're saying. It's just very difficult.

I have just one more question. You have been speaking of making changes and stuff like that, and over the years various governments have always attempted to make some changes and improve the Condominium Act. Do you see the problem more with making changes, or more changes, or with the inability to enforce promptly some of the laws incorporated in the Condominium Act?

Mr Crowe: I would have to say both, because I'm on both sides. I believe in co-operation. I would like to point out that I have seen people just walk out of their condominiums, put their hands up in the air and say: "I give up. I'll declare bankruptcy, whatever. I can't fight." If you can allow somebody to change, they may stay there and allow it to grow, but I still believe they should have been able to have an avenue without having to walk away.

Mr Sergio: Are you a member of the board?

Mr Crowe: Yes.

Mr Lessard: I'm not sure that I understand the concern you have about the value of the property or the drop in the value of your investment. I think you're saying that if part of the reason for the drop in the value of your investment is the result of poor maintenance, you should be compensated for that somehow. Is that correct?

Mr Crowe: Because of the position I'm in, as both a board member and an owner, I really don't want to criticize.

Mr Lessard: I'm just asking generally; you don't need to tell me about your specific situation.

Mr Crowe: In general, it's both the fact that the real estate market took a nose-dive and also because of lack of maintenance and compliance.

Mr Lessard: Are you suggesting that there should be some compensation available because there's a drop in the market?

Mr Crowe: Not for the market, no.

Mr Lessard: OK. What's your understanding of the provisions for mediation and arbitration? You said you preferred that over making application to a court. I'm wondering why you say that. You have mentioned that it would cost more to go to court, but I'm just wondering

what your understanding is of arbitration and mediation, why you would prefer that option.

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Mr Crowe: I prefer that option because I'm assuming that arbitration and mediation would be a much simpler process and less costly to a person who has put their full investment into their first home and can't afford to go the court route. With my own experience, I've hit every roadblock there was.

Mr Lessard: Are there limitations in the arbitration-mediation section as far as length of time or the cost, as far as you know?

Mr Crowe: In this bill?

Mr Lessard: Yes.

Mr Crowe: No, I don't see any costs or limitations.

Mr Lessard: You might want to have a close look at that section, and if there are some provisions you might want to recommend to ensure that it doesn't become a time-consuming, costly process, as you perceive it to be in court, you might want to make those suggestions.

Mr Crowe: Because of the new Tenant Protection Act, they are now able to have a mediator available to them. I'm not knowledgeable on the specifics of their mediator, but I would like to see the same mediator or the same process for that mediator available to condominium owners.

The Chair: Thank you, Mr Crowe, for your presentation this morning.

CANADIAN BAR ASSOCIATION — ONTARIO

The Chair: At this point the committee will call the Canadian Bar Association — Ontario. I'd ask you to come to the desk and give your name and title for the record. You have 20 minutes to use as you wish.

Ms Audrey Loeb: Good morning. My name is Audrey Loeb. I have provided you with some materials that have been prepared by the Canadian Bar Association members. We are the condominium committee of the Ontario branch of the Canadian Bar Association, real property subsection. There are six members, who represent both the development community and the condominium corporation community. Many of us act on behalf of both purchasers and developers, as well as representing the interests of condominium corporations. So we have a very well balanced committee that has worked together for many years and in fact has made representations to the government on the two previous condominium acts that never got through.

Unfortunately, I must start by saying that this brief has not yet had time to be proofed by CBAO, so what you have is what we're going to submit to CBAO for its formal sanctions. The members of this committee really didn't get their act together, I'm afraid, as quickly as they should have. So we haven't had the approval of the CBAO officially. But we've never had any difficulty before getting their approval with any of our other submissions and we don't anticipate any at this time. There is one

section missing, and that's the section on the new concepts, so we haven't covered that yet. That member hasn't provided his material.

I've been asked to speak briefly on our top 10; that would be the best way to describe it. The brief covers everything else, and in addition to the brief I've attached a letter that was sent to the minister concerning the issue of insurance deductibles. It's the front page of what you've received, and then behind that is a section-by-section commentary with respect to the bill. I'm going to start with the voting percentages. I'll just take section 33.

Our approach, by the way, to reviewing legislation is to try to clarify legislation in places where we see that it's problematic in terms of creating litigation, uncertainty or difficulty for the legal profession. That's our approach. We're not commenting necessarily on policy, although we tend to get into that. Our real concern is that the legislation be clear and that the concepts work so that we don't have to spend a lot of time, as Mr Crowe said, spending money on lawyers that people can ill afford.

One of the concerns we have, and we voiced it repeatedly over the years to the government, is the appropriate wording for the voting percentages under the Condominium Act. My history is that I was involved in the last amendment to the Condominium Act. I worked for the government at the time and administered the legislation. We thought the wording of the voting requirements was very clear, until some of the judges got hold of it and essentially turned it around, and what we assumed to be voting majorities of all of the units in the corporation required to approve particular things, like substantial alterations and removal of members of the board of directors, became a quorum requirement, not a voting requirement. Attempts have been made to clarify the wording so this confusion would be eliminated, and we don't believe that this confusion has yet been eliminated. We think there's still a problem with that and that it must refer to the votes of all of the owners of all of the units, because unfortunately the judges are reading the legislation differently from those of us in the profession.

The next section has to do with the records of the corporation and owners' access to records of the corporation, which is subsection 55(4). There are some items which should remain confidential, to which owners should not have the right. We are also somewhat concerned about an owner having the right to an immediate penalty if a board fails to turn something over, particularly if the board relies on a legal opinion. We think there are items, particularly with respect to individuals or litigation, which board members should have the right to keep confidential from the remaining unit owners.

In the area of sections 72 to 98, which I'm sure you've already heard about, we'd also like to add our two cents, for whatever it's worth. We're concerned about the information statement. The information statement comes from something that was actually recommended by the Ontario residential condominium study group report in 1976. In those recommendations, we suggested that the

government set up a securities type of filing for condominium developments, where the proposed documents and the agreements of purchase and sale would be approved by government officials and an information statement would be delivered and verified by a government official and then be given to prospective purchasers. The prospectus filing never came into being, but the information statement still sort of stayed in play. What we see is a resurrection of the notion of a two-page information statement which would be given to purchasers and would cover their most commonly asked questions.

In light of the total changes that have been suggested in this bill, we find that the information statement doesn't fit the role it's supposed to. We are advised that it's intended to be an index to the disclosure statement. We believe that if that's its purpose, then it should be an index to the disclosure statement and should be delivered at the same time. It just doesn't make sense. It's only going to create confusion, because disclosure statements do get changed; information statements may not. It won't mean anything to a prospective purchaser, because until they enter into an agreement of purchase and sale it doesn't matter what you give them anyway. It doesn't make sense to provide this in advance of an actual disclosure statement.

I assume the government is trying to make disclosure more complete and more amenable, I guess, to unit purchasers. Our view of the changes to these sections of the act is that it does the exact opposite. As a person who acts for many purchasers and condominium corporations, it's going to be extremely difficult for a purchaser or even a purchaser's solicitor to review the volume of material that is now proposed to be delivered as part of a disclosure package to prospective purchasers. In fact, my guess is that lawyers will limit their retainers and not look at them at all. It's just too voluminous, the responsibility is too onerous and, I can tell you, the unit owners, the purchasers, do not read them.

My current practice is that I do review the disclosure statements. I highlight the sections for my client. Nobody wants to pay the fees I charge. Most people go to lawyers who don't look at them at all, and this is only going to make it worse, because it's going to make it even harder for purchasers to get through what's being given to them.

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In this bill, we've eliminated the disclosure statement, which was the brief narrative provision of the document. That's the only thing the purchasers read, and that's the one thing that has been eliminated in the bill. The only thing I can guarantee that I can get my clients to read is the 10-page abbreviation of the contents of the documents that are appended. What we're going to is just throwing tons of documentation at purchasers with virtually no ability to get through them. Frankly, even the profession won't be able to get through them; they are not knowledgeable enough. Condominium has become a very expert field, and very few people will be able to service their clients appropriately. We find the requirements onerous, we find them confusing, and we think it's going to make life much worse for purchasers.

The other thing we note is that at the moment we have great case law on disclosure statements, delivery and their contents, and everybody knows the rules of the game. When we act for developers, we know what we have to deliver; and when we act for purchasers, we know what we have to look for. This is going to create a volume of litigation in the next recession. There's no question about it. We'll be five or six years fighting out all these new provisions and whether the developers have complied with them etc. We are very concerned about these provisions.

The next provision, which I gather won't be brought to your attention because it got missed, is section 74, which provides for the 10-day rescission period from the date the purchaser signs the agreement of purchase and sale. Since 1978, there is no case law to date on when an agreement of purchase and sale can be rescinded by a purchaser. In this bill, we have included in the draft a provision that says that the 10-day rescission period will start from the later of the date that the purchaser receives the disclosure material or receipt of an accepted agreement of purchase and sale is made by the purchaser. So when the developer accepts the agreement of purchase and sale and the purchaser then receives that accepted agreement of purchase and sale, the 10-day rescission starts.

We have a problem with how the developer is ever going to prove that the documents were received by the purchaser. We will have an ability for a purchaser not to show up and pick up their document and continue the rescission period forever. We have no problem with the way the legislation is currently worded. As I said, there's no case law on it. This is going to be very difficult. Developers will be unable to prove that they delivered accepted offers to the purchasers unless they hand deliver them to the purchasers, which is a cost that nobody can afford.

The next section of the bill that I want to talk about is "significant change," and since I'm the one who gets blamed for it, I guess I have to take responsibility for it. In the Condominium Act before the one we currently operate under, we had a provision in the legislation which said that all changes in the documents had to be indicated to a prospective purchaser. Now when we act for purchasers we get a whole new set of condominium documents just before registration, and that's all we get. We don't, as a rule, from most developers, get a letter saying, "Here is what we changed." We just get a fresh set of documents.

For us to ensure, if we're acting for a purchaser, that there have been no changes in those documents, we have to proofread them page by page by page. It would cost our clients thousands of dollars for us to do that, so we send them out to the client and we tell the client they have to proofread them.

When the concept of significant change came up, all we were saying was, "Black-line for us the changes in the condo docs, like you had to do before the 1978 act." Somebody created this notion of significant change, which develops a whole new concept of disclosure and provides that if you get significant change, there's no remedy. So even if you get a significant change, you can't get out of a

deal. Then the question arises, if you get enough significant changes, do they constitute a material change? This is not what was intended by our presentation, and I'm taking a lot of flak for this from my colleagues; they call it the "Audrey Loeb awful amendment."

The last two things I want to talk about are section 93 and section 106. Section 93 is, I hope, just a drafting error. It deals with the condominium corporation having the right to repair the common elements where a unit owner had that responsibility and didn't do so and to lien the unit for the cost of same. In the current act, that provision allows it. It's in section 41 and what it says is that the corporation can go into the unit and carry out a repair if the owner doesn't do so and charge it back to the unit owner. What was supposed to have happened here is that the corporation was supposed to have the right to go into both a unit and the common elements, carry out repairs or maintenance that the unit owner doesn't do, and charge it back to the unit owner. What's happened is we've given the right to the common elements and eliminated the right for the corporation to do it in the unit. We assume that's a drafting mistake, because there was no policy that we're aware of that intended to take the board's right away.

For example, if a bathtub leaks continuously because the unit owner doesn't caulk the tile and you tell the unit owner, "Caulk the tile; we're having water problems in the unit below you," and the unit owner doesn't do it, right now the corporation can go in, do it, and charge it back to the unit owner. What this bill has done is taken away that right. We believe they took the right away from the unit by mistake.

Last but not least is insurance deductibles, which is section 106, and that's the letter that is on the front of our proposal because for some reason it didn't get put into our brief and I didn't notice it until this morning. When we made the recommendations with respect to insurance deductibles, it was on the basis that a unit owner who caused damage to the condominium corporation's property should be responsible for the deductible that the corporation has to bear, that it is unfair for the remaining unit owners to pay a deductible for another unit owner's negligence.

There has been a recent case of the Divisional Court of Ontario which has held that in fact is the current state of the law. The case is called *Stevens vs Simcoe Condominium Corp 60*. What it says is that if a unit owner causes damage, the unit owner is responsible for the deductible and the corporation is entitled to lien the unit owner's unit for the amount of the deductible.

What this bill does is say that that deductible will only be recoverable where the damage is done only to that individual's unit. So if we have water damage that affects the individual's unit and there's a deductible, then the unit owner will have to pay it, but if the unit owner leaves his bathtub running and it damages the unit below, the corporation has to pay the deductible. The way this bill is worded, the unit owner is only responsible for the deductible when the damage he or she does is to his or her

own unit, not to any other unit and not to the common elements.

Deductible insurance is available to unit owners, and it's unfair to ask other unit owners to pay the deductibles for people's negligence. They don't carry liability insurance because — normally a unit owner would carry liability insurance, but because of the way the Condominium Act is set up, the corporation is required to insure these things. The result is that the unit owner's unit insurance won't cover this damage, so everybody else has to pay the bill.

Those are my comments, my top 10.

The Chair: Very good. I appreciate your comments, and at this point the rotation of questions goes to the Liberal Party.

Mr Sergio: Thank you very much for an excellent presentation. We will have to find some time and read many of your good points here.

I agree with you that the amount of documents is just unbearable. While you may have prospective purchasers coming to you and they don't want to pay the fee that you charge, they're coming to us for answers and we don't even charge for anything. But it's very difficult to read through the act as well.

Just one quick question. One complaint I hear a lot, especially in some of the newer corporations, is where the developer still has a number of either unsold or rented units. This has been a major bone of contention in many condominium corporations. How do you deal, as a professional lawyer, with a situation like this?

Ms Loeb: Actually, our firm represents over 500 condominium corporations, and this is a most exceptional problem. It is not the norm by any stretch of the imagination. In our experience, the developers want out of there as quickly as they can, and the only reason they are left in there is because they can't sell a unit. Normally, it only occurs in a time of recession. They have the biggest vested interest, financially, in that project.

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Mr Sergio: I'm sorry for cutting you off, but should they retain the majority of the votes even though the economic situation may not favour a particular developer at a particular time? Should they be retaining the overwhelming majority of votes, if you will?

Ms Loeb: I understand: at the meetings etc. If I were to speak on behalf of CBAO, it would be CBAO's position that yes, they should.

The Chair: If we could have the next caucus.

Mr Lessard: I'm giving my time to Mr Sergio.

The Chair: That's fine, if you want to pursue that.

Mr Sergio: I wish you would expand a bit more on that question, because it's a major problem that we encounter.

Ms Loeb: We recommended for the last legislation — it didn't happen — a staging process. We recommended allowing a certain number of unit owners to get on the board if a certain number of units were sold. We're still in favour of that type of position. It's just that it didn't get incorporated into this draft bill. What got incorporated

was the notion of at least one representative when a percentage of the units has been sold.

In the United States, in most of the American jurisdictions, as the units get sold, the number of owners who are represented on the board changes. But understand that even if you give them representation on the board, they still have the right to vote at a meeting. You cannot take away a developer's voting percentages at a meeting. It's not democracy. If you own 50 units, you can't say to the developer, "You can't vote your 50 units." It's not fair. That individual has the biggest stake in the project.

Mr Sergio: We have heard from a previous presenter, for example, that the developer has a vested interest in keeping it in that particular way because of other areas; let's say the communication control units. They have an interest, so they may make money on other areas of the management of the building. Is that fair to the other —

Ms Loeb: Of the 500 corporations we represent, we do not have that problem.

The Chair: A very good line of questioning, Mr Sergio, but we have one minute left and Ms Ross has a question of you.

Mrs Ross: Under section 74, you talked about the 10-day rescission and how you felt that would be a problem for developers complying or proving that they would have delivered the disclosure statement. I don't quite understand that, and I wonder if you could clarify it.

Ms Loeb: It says in subsection (2) that you have the right to rescind an agreement of purchase and sale if you're a purchaser "within 10 days of the later of." I think this is the result of plain drafting. I think this was not intended as a policy position. But it says within the later of the date that the purchaser received the disclosure statement, which they're going to get the day they sign the contract, or the date the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.

What happens is, the purchaser signs it, gets the disclosure statement. It then goes to the developer. The developer may accept it right away and then has to get it back into the hands of the purchaser and prove that he or she did that, because without proving it, the purchaser is going to be able to say, "I never got the agreement back," or the purchaser says, "I'll come in and pick it up. Don't send it to me," and the purchaser doesn't come and the purchaser doesn't come, which we have now. It's a problem we have already.

I think what happened was this just came out of plain language drafting and nobody realized the consequence of it. But when I do an agreement of purchase and sale for a developer right now and I'm negotiating for three or four weeks and I then send an accepted copy back, they now have another 10 days to get out of the deal from the date they actually get the document, not from the date I mailed it or from the date I accepted it. Right now, we go on the basis of from the date that the developer accepted it.

The Chair: The members of the committee appreciate your informed comments, and I'm sure notes will be taken. Thank you for your presentation.

BRATTY AND PARTNERS

The Chair: At this point, we would call Bratty and Partners. For the record, please state your name and the organization you're representing. You have 20 minutes to use as you wish.

Mr Michael Volpatti: Good morning, members. My name is Michael Volpatti. I'm a lawyer with the law firm of Bratty and Partners here in Toronto. You'll be getting before you a brief handout by me that basically summarizes where I hope to go with my address this morning. Also attached is an excerpt from some material I believe you've already been handed by way of a joint submission from the Greater Toronto Home Builders' Association, the Metro Toronto Apartment Builders Association, the Ontario Home Builders' Association and the Urban Development Institute of Ontario.

Our firm, Bratty and Partners, is a member of the Greater Toronto Home Builders' Association and the Urban Development Institute. Personally, I've been actively involved in the preparation of a good part of that submission. As I said, in the documentation before you is an excerpt from that submission you've been previously given.

Our firm has been a beneficiary, I guess, of the Condominium Act and the recent economy, as well as other Ontarians in the past little while. We hope that continues. Our firm acts for condominium developers both in the low-rise and high-rise market, as well as for lenders who lend to condominium developers. As a result, our involvement with GTHBA and UDI is pretty obvious, and the perspective that I'm addressing you this morning is from that area.

The joint submission that you have an excerpt from is pretty lengthy, and I'm not sure that you've had the opportunity to go through it. I'm sure your time is limited. What I propose to do is to go through three areas of the submission to highlight some typical comments that we've made with the legislation and hopefully get an opportunity for you to get some feedback from us, the industry, as to how we feel about the legislation.

The first thing I'd like to speak briefly about is the termination of various agreements under section 113 of the proposed bill. The provision of section 113 basically deals with the termination of various agreements that were entered into at a point in time when the condominium corporation was effectively controlled by the declarant. As such, those deals may not be in the best interests of the ultimate purchasers, and therefore the legislation has seen fit to give the corporation an opportunity to terminate those agreements within a 12-month period after registration. This is something we have in the current act, by the way.

The wording of section 113 — although the intention is appropriate, the implementation through the drafting or whatnot causes a minor problem in that section 114 has been added to the act. What section 114 basically says is that there are certain types of agreements that the Legislature feels are important enough that the vote of the

owners is not enough to terminate those agreements. So the Legislature, under section 114, said, "You need a court order to terminate these types of agreements." These are agreements basically dealing with the cost-sharing of facilities and amenities and joint-use facilities with practically neighbouring properties, usually in phased condominiums or so forth.

The wording in 113, however, basically would capture and permit the termination of an agreement by the condominium corporation within that one-year period, agreements that would otherwise be protected by section 114. If you note in our submission on section 113, there's a very simple way of addressing that problem. It's simply to say that agreements under 114 are protected and cannot be terminated by the board. I think that's in keeping with the policy aspects of the legislation and adds clarity to the legislation. This is just one of a number of comments we've made dealing with some problems with the implementation of the legislative policy. The policy isn't all bad in and of itself. However, the way it's implemented will cause uncertainty and perhaps not the desired result.

I'd like to turn briefly now to vacant land condominiums and leasehold condominiums. Both these types of condominium corporations are new to Ontario. Hopefully they'll provide a welcome opportunity to developers and purchasers alike for a type of product that hasn't been available to date. From a builder's point of view today, while I think they would like to see these sections, if they're not going to work, they are not going to use them. It's going to be as simple as that.

I believe you've already heard submissions on phased condominiums. We certainly have some written submissions on that that are quite detailed and indicate our concerns as to the implementation of that part of the legislation; again, a situation where the concept makes sense but the way it's implemented through the drafting simply won't work. It will just result in developers not using it because the risks are too significant from a certainty point of view, from a cost point of view, and ultimately from a litigation point of view.

1110

For our comments on the vacant land condominiums and the leasehold condominiums, I'd like to take you through a couple of the sections and indicate where our concerns lie.

In particular, the first section dealing with vacant land condominiums is section 158, which basically provides for what a description of a vacant land condominium contains. Subsection 158(1)(c) tracks similar language to section 8 of the proposed bill which deals with our traditional types of condominiums. Subsection (c) deals with language such as, "common elements have been constructed...in accordance with the architectural plan" and "a certificate of an engineer that the buildings have been constructed substantially in accordance with the structural plans." Again, we have a very detailed submission in the implementation of this type of language under section 8.

We have the same concerns with respect to vacant land condominiums as we do with the traditional condom-

iniums. Those concerns are simply the cost to implement this type of certification and that the certainty and basically the ultimate benefit to the purchaser is questionable. As I said, we have very detailed submissions and I believe you've heard from Chris Lloyd, an Ontario land surveyor, last week on that under section 8. Our concerns are mirrored here.

Section 159 deals with the scenario where a vacant land condominium corporation proposes to include certain services or roads or what have you within the description that at the time of registration have not actually been constructed. The legislation provides for registration notwithstanding that, provided the developer posts a bond to secure the performance, really not unlike traditional subdivision development in Ontario today. If you develop a subdivision, the municipality always requires letters of credit for roads, sewers and so forth so that if the developer doesn't complete those works, the municipality will draw down on those letters and complete the work. We have a similar sort of scenario that's being implemented here. Again, the concept makes sense but the implementation is problematic.

In this particular case, under clause 159(1)(b) the proposed bill makes reference to the declarant providing to a "specified person" a bond or other security. We take it that they are going to indicate through the regulations who that "specified person" is. We don't think that's a reasonable approach. We think a more practical approach would be simply to specify right in the legislation that's it's a municipality that holds the bond. As a practical matter they're going to give the approvals, whether it's site plan or whatever other type of approval. They are involved with the project; it's their community. We may as well make it the municipality right off the bat. That way everybody knows what it is. It adds certainty to the legislation. Purchasers are protected, and vendors know who's going to holding the bond.

Subsection 159(3), again dealing with these performance bonds, provides that once the works have been completed, the bond can be released. The practical problem there is one of evidence: How do you determine when the work has been completed? Again what we propose in our submission is that an architect or engineer certifies completion. This is no different than what happens with typical subdivision development in Ontario today: Architect's certificates are submitted to the municipality, the municipality reviews them and releases the letter of credit. Again it's a change that adds to the certainty, works for the purchaser, works for the developer and makes the legislation work properly altogether.

Another is subsection 160(3). Section 160 deals with the insurance obligations under section 100 of the proposed bill. The section basically says that the condominium corporation, unlike its requirement under section 100 for traditional condos, doesn't have to implement insurance in respect of a unit; it will let the unit holder insure that unit. Again, given the fact that this is a vacant land condominium and you're really insuring dirt,

and whatever improvement you have on there, it's up to you if you want to insure it or not, it makes sense.

The problem with subsection 160(3), however, is that although the owner has the obligation to maintain the insurance, there's no requirement to provide evidence to the condo corporation that it has done so, and the condo corporation, for whatever reason, may want to insure that particular unit. What we suggest is that the owner should provide the insurance; however, he should also provide evidence to the condo corporation. That way, if the condominium corporation doesn't have evidence in its hand, it can simply take the position that, "We are going to effect that insurance on your behalf." Again it's a situation where the intent of the legislation is a proper one but the implementation can be worked on somewhat.

One of the more substantial comments on the vacant land corporations comes under section 162. Section 162 basically deals with a statement of services to be provided by a local municipality in respect of services that are going to be installed within the condominium, including roads and construction. This is important, obviously, because to the extent that the municipality will build a road or will plow an internal road or so forth, the purchasers want to know if that's going to happen.

The problem here is that the wording of subsection 162(1) is, "Before delivering a disclosure statement...the declarant shall request from the municipality" such a statement. The implication is that every disclosure statement that's delivered has to be preceded by a request from the municipality. That's obviously duplicitous and that can't be the intent of the legislation. A more reasonable interpretation would seem to be that when a developer proposes a development, they write to the municipality, determine what services are to be available, obtain a statement and that forms part of the disclosure book. But for the developer to have to do this before they deliver every disclosure statement means they're going to have a purchaser coming in on a Saturday afternoon and saying, "You've got to come back on Monday because I've got to write to the municipality on Monday morning to get a statement." It doesn't make sense, it's not very practical and it doesn't add to the equation.

The other concept we wish to address under the disclosure statement, in particular statements from the municipality, is the scenario where the municipality issues a statement, indicates it's going to provide certain works or services and then changes its mind. Is that a material change from the purchaser's point of view and the vendor's point of view? The way the developer looks at it, that's something beyond the vendor's control. If the municipality which basically controls that area is going to implement a change, they have their ratepayers and taxpayers to account to.

We feel it would be unfair to the developer to have a project that's half sold and the municipality changes its mind on snow shovelling, for example, and issues a new statement, and then the purchaser comes back to the developer and says, "Look, your statement isn't up to date, it's not accurate; I can walk from the deal," something

that's completely out of the developer's point of view. The developer used their best efforts to get that statement, obtained a statement, and they're going to be penalized because a municipality changed its statement. Again, that's something we feel should be addressed by simply providing that if a municipality changes the contents of its statement, that won't be considered a material change for the purposes of rescission.

I'll deal very briefly with leasehold condominiums. Our major concern with that is simply the use of the term "rent" in subsection 172(1). "Rent" is not a defined term. The concept behind a leasehold condominium is that a property owner will lease, usually on a long-term basis, a piece of land to a developer and the developer implements its condominium. The lease between the landowner and the developer is what's called the head lease, or creates a leasehold interest, and has many obligations, only one of which is a payment of rent. It could have an obligation to insure, obligation to maintain the property in good repair, all sorts of obligations other than rent.

We believe that in using the word "rent" in subsection 172(1), where rent is not a defined term, it should be expanded, such as, "The condo corporation will have to be bound by all of the obligations under this lease." Again, it would be something that's disclosed to purchasers so they're aware of the obligations, but it should be made clear in the act that rent is not just money, it could be other obligations and it could be monetary payments other than rent.

Finally, I should add one more concern with respect to disclosure requirements for leasehold condominiums. Just stepping back a couple of sections, that's clause 167(2)(d). It requires a developer to disclose all of the particulars or "provisions of the leasehold interests that affect the property." In other words, the developer is being asked to take this lease and summarize it for purchasers. The thought is probably a proper thought: They should know what's involved, but as a practical matter and, I can tell you, as a developer's lawyer, what I would do is practically paraphrase the entire lease for fear that in leaving out one section that I don't think is important, at the end of the day the purchaser is going to come back to the developer and say, "Had I known you had to do this thing, which in anybody's point of view is not substantial, I wouldn't have entered the deal." That sort of uncertainty would scare developers' lawyers into paraphrasing the entire lease. Therefore, we should either take it out or simply provide that a copy of the lease can be attached so that the purchasers can go through it if they wish.

Those are the highlights in a very brief form that I wish to address to the committee. Again, this is based on a joint submission that you have a report on already, and I hope that gives you some flavour of the development industry's concerns and thoughts about the legislation.

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The current act as it stands now, and as you've heard to date, through court interpretation has developed to a stage today which we believe has a great deal of certainty, and we can all see the benefits of that simply by looking at the

skyline in whatever city in Ontario. We really hope that these issues we've addressed here are looked at seriously, because if they're not, from a developer's point of view, first, they'll be reluctant to build and, second, they won't get the lending from the financial institutions because no financial institution is going to lend where there's this degree of uncertainty.

The final comment is that there are a number of new provisions which are provided under this legislation, like vacant land condos and leasehold condos. It's a wonderful opportunity to have that legislation implemented and give Ontario something different. It has to be done properly or it will simply be legislation that sits on the books and will not be used by developers. That's my submission and I'd be glad to answer any questions you may have.

The Chair: Thank you for your presentation. That would leave us about one minute per caucus, starting with the NDP caucus. Mr Lessard, if you have a question, very quickly.

Mr Lessard: In your brief you made reference to the GST in respect to the definition of "rent," but you didn't mention that in your oral remarks. I wonder if you could do that.

Mr Volpatti: There are a number of things I didn't address simply through the exigencies of time. The GST is a major concern from a marketability point of view and it's something that we hope we have the Legislature's support on in addressing the issue with the federal government, which obviously will have the ultimate say in this. We are concerned about it, a large marketing concern, and we hope we have the Legislature's support in addressing this issue with the federal government.

Mrs Ross: Thank you very much for your presentation. Under subsection 162(1), disclosure statement, you've made a recommendation that some of the wording be changed there, and of course we've heard this from other people who've made presentations as well. It's certainly an area we're looking at to make some amendments to. Your recommendation is to delete "Before delivering a" and replace it with "Before delivering the first." I just want to ask you, if that wording were changed, do you think that would solve the problem?

Mr Volpatti: We think it would go a long way because, as I said, the developer would still have the obligation to make the inquiry and provide the statement. He's going to do it right off the bat. He's going to include it in the statement and I think that would solve it.

Mr John Gerretsen (Kingston and The Islands): You've provided a very detailed brief, as did the presenter before you. I'm just curious: Did you have an opportunity to make a presentation to the ministry on this act beforehand? Were there any discussions between your organization, not necessarily your law firm but the organization you represent, to make some submissions beforehand? It just seems to me that there are an awful lot of changes recommended here. A lot of them seem to make sense to me, and I'm just wondering why they weren't incorporated earlier. Was there an opportunity

given to you to respond on this without doing it in a formal manner like this?

Mr Volpatti: I'll have to give you a little bit of history behind my involvement with the act. My involvement has been very recent, probably since the spring. The Condominium Act has several times gone to second reading over a number of years. The most recent one came through relatively quickly. We were working on it pretty much the entire summer to put our submission together. We have not had an opportunity to dialogue a great deal because of the short time frame. We've done the best we can to submit this.

The Chair: Thank you, Mr Volpatti, for your presentation. I'm sure the committee has learned from your comments.

LONDON GUARANTEE INSURANCE CO

The Chair: With that, we'll call the next deputation from London Guarantee Insurance Co.

Mr Sandy Ewen: Mr Chairman, and ladies and gentlemen on the committee, my name is Sandy Ewen. I'm an assistant vice-president with London Guarantee Insurance Co. For those who are interested, London Guarantee Insurance Co is a sister company of London Life. We're owned and controlled by London Insurance Group. I'm not a lawyer, as the two previous presenters were. I'm a business person. I'd like to explain our involvement as London Guarantee in the condominium business.

My particular product line assists condominium developers in providing security primarily to the Ontario New Home Warranty Program. In addition to that, we have consumer products that we provide to purchasers of condominium units. Under the current act if ONHWP, the Ontario New Home Warranty Program, is not involved in insuring deposits, then we provide an insurance policy protecting those purchasers against loss of their monies. This is particularly important in condominium conversion projects, so we're involved from that standpoint on the current condo act.

I should point out as well that London Guarantee Insurance Co is the second-largest contract surety company in Canada. Contract surety companies bond general contractors and subtrades and contractors that involve themselves in the construction of these buildings. I shouldn't forget that on our corporate risk product lines, we also provide directors' and officers' liability insurance to condo boards, that type of thing.

My presentation this morning is not going to be that specific on specific sections of the act and discussing them. It's going to be from a practical standpoint.

I provided you with a summary of Ontario housing starts which I received from Canada Mortgage and Housing. What I would really like to do is look at condominium starts compared to other residential starts in Ontario. For example, if you notice in 1997, there were 8,138 condominium units that were started, and if you compare that to the other freehold-type construction starts,

there were just under 45,000 construction starts on freehold-type product in Ontario.

The point I'm trying to make is that the purchasers of those condominium units had greater consumer rights than did the 45,000 purchasers of freehold units. Under the existing act, those purchasers have full disclosure from the declarants or developers of the relevant facts of the project. They also have the ability, under the rescission rights and the 10-day cooling-off period, not to be pressured into a sale situation.

Again, regarding deposit monies, the current act under subsection 53(1) requires that all monies be held in trust unless they are either insured by the Ontario New Home Warranty Program or other insurance-type products.

In contrast, for those 45,000 purchasers who bought freehold units, there are no disclosure requirements, there is no cooling-off period. They buy and they can be forced — there's quite often a lineup and the developer says, "If you want your house, you'd better put your deposit in today." If that deal is accepted by the developer, they have a binding purchase-and-sale agreement.

The other key point, if you compare purchasers of freehold units, is that they are protected by the Ontario New Home Warranty Program for their deposit monies up to a maximum of \$20,000. But if you're buying an estate-type home where the developer wants a 20% deposit and the purchase price is \$500,000, if you want the house, he's probably going to insist that you pay a \$100,000 deposit and trust that he isn't going to go bankrupt and he will deliver that title to the unit.

To recap my point: Of the total new home starts in 1997, condo purchasers made up about 15%, and those people have already been given considerable additional consumer rights compared to what the freehold purchasers have.

What I want to get to now is a concern of the industry. I'm also a member of the Toronto Home Builders' Association; I sit on the board of directors. Our company is a member of the Toronto Construction Association and we're also a member of the Surety Association of Canada. Our concerns are the new disclosure requirements — Ms Loeb has talked about those as a concern of even the Canadian Bar Association and the membership there — and also the concept of "significant change."

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We feel that these additional requirements, if passed, will threaten the potential creation of new condominium projects in Ontario. The reason for this is very simple: Condominium projects need to be substantially completed in order to obtain condominium registration, and you need condo registration in order to pass title to the purchasers and recoup the balance of closing proceeds, which automatically go first to repay the construction lender. The banks and trust companies that typically finance these projects require a certain threshold of pre-sales to commence lending on any of these projects, and they require certainty that these purchase-and-sale agreements are bona fide and that there is some certainty that these purchasers are going to close those sales and the monies

received on closing will eventually flow down and repay their construction loan.

We feel that the proposed amendments to the existing disclosure requirements as presented in Bill 38, and specifically those that provide inadvertent rights being accorded to unit purchasers, will undoubtedly affect the ability of the declarant to obtain any of the traditional sources of conventional financing.

I met with CHMC about two weeks ago. CHMC probably would love the act to be passed as it is for the simple reason that most lenders, if they're not going to take the risk themselves, will pass the risk on to the mortgage insurers, who are also going to charge premiums for the associated risks, and unfortunately all those costs get passed down to the consumer.

Very briefly, I'm going to assist you in making up some time before lunch: Those are the concerns of the organizations that our company is a member of. It's predominantly associated with the production of new condominiums in Ontario. I'll try to answer any questions.

The Vice-Chair (Mrs Julia Munro): Thank you very much. We have some time for questions. I believe we're with the government side and we'll begin with Mrs Ross.

Mrs Ross: Thank you for your presentation. It was indicated by a question from the last presenter that he didn't have much time to consult on this piece of legislation. I just want to put on the record that this is a consensus piece of legislation that my predecessor, the Honourable Mr Flaherty, was involved in, discussions and consultations with various groups, and I believe that you were a part of those financial groups that were involved in those consultations. Would you agree that we have come forward with a piece of consensus legislation that you've been involved in this process for some time, coming forward with something?

Mr Ewen: I would agree. I've been with this company for five years and there have been at least two kick-starts to introducing new legislation. Unfortunately, what Mr Volpatti, and I've been involved in that committee as well — it seemed to be so secretive that we couldn't get our hands on even a draft act until I think June of this year.

Mrs Ross: Of course, draft legislation is not public information until it's presented at first reading in the House, so legislation isn't available. But certainly the consultations were ongoing, I know, for at least a year prior to anything happening. The Home Builders and the Urban Development Institute were involved from the very beginning, as well as the financial institutions.

Mr Ewen: To respond, I had the opportunity to make a presentation on behalf of the Surety Association to Mr Flaherty and some staff probably two and a half years ago.

Mrs Ross: Thank you. I also wanted to ask or to comment, halfway down your presentation, with respect to "significant change." You've raised that as an issue you'd like to flag.

Mr Ewen: As Ms Loeb mentioned, we feel that if "significant change" is introduced, it will only complicate matters from the standpoint of both the developers and

purchasers because there is no clear definition of what "significant change" really benefits other than to notify them that there have been changes. The concern is just the increased litigation and the opportunity for purchasers to attempt to breach the conditions of the purchase-and-sale agreement.

Mrs Ross: We have heard that concern before and it is something we're looking at. I just wanted to let you know.

Mr Gerretsen: I'm very much interested in your comments that the government has been so secretive about this process even though it's a piece of consensus legislation. My earlier comments were just general, that there seemed to be some excellent suggestions made by the last two presenters. I was just wondering why they hadn't been incorporated in the act before. It wasn't really intended to be anything more than that, but I'm glad that you just confirmed that it has been a secretive process.

Let me ask you something else. You're suggesting that there's no 10-day cooling-off period when people buy freehold property. Are you suggesting, in order to have the same kinds of rights both for prospective condominium owners and freehold owners, that perhaps there should be a 10-day cooling-off period in those agreements?

Mr Ewen: No, I'm not suggesting that. My illustration was merely to confirm that we have substantially increased consumer rights for condo purchasers already. I don't believe that it is a significant problem on the freehold basis. Otherwise, I'm sure the ministry would have heard about them. It seems to be working fine from the standpoint of the freehold. Obviously, with 50,000 housing starts a year, if there were a major problem, I'm sure everybody would know about it. To answer your question, no, I'm not suggesting that.

Mr Gerretsen: But you agree that there is a difference between buying a piece of freehold property, and you can usually go to the municipality and find out what the situation is, rather than buying a unit in a condominium where you have rights and responsibilities together with a whole group of other people?

Mr Ewen: Definitely, and the big problem — it has to do with cash flow from the developer's standpoint. The unfortunate situation is that you must complete the whole project in order to pass title to any of the units, whereas you can spot freehold units all over the place and each of those purchasers can get title. So it is a much more risky proposition.

I just think that we can't afford under this legislation to do anything that's really going to impact substantially. Everything has a price tag to it. Lawyers will get involved and banks are just going to charge higher fees or impose mortgage insurance and it will eventually, unfortunately, turn out that the person who wants that condominium-type lifestyle may not any longer be able to afford that type of product.

Mr Gerretsen: I thought the banks were going to do the legal work. Aren't they doing that in a lot of cases already, chucking the lawyers out of business, and that's why a lot of them are running for elected office?

Mr Ewen: No comment.

The Vice-Chair: We'll move on to Mr Lessard.

Mr Lessard: I don't know whether that was a cheap shot or not.

Mr Gerretsen: It's a reality, I'm afraid.

Mr Lessard: I guess we could argue about the extent of consultations all we want and whether or not they were appropriate. That's a debate that will continue to go on in this place well into the future.

The concern I have is that notwithstanding the fact that this is legislation that has been in development for years, there are a lot of people here with a lot of suggestions for amendments. Given that length of time, I wonder why there are so many suggestions for changes. I don't know whether you have any comment with respect to that.

Mr Ewen: From my personal standpoint, I guess like Ms Loeb, who talked about her top 10, from the development community there are probably two top priorities: concern over the additional disclosure and rescission requirements, and significant change. From the standpoint of the development community, I think most of the other things affect more the eventual running of the condominium corporation. From our standpoint, those have been long-standing issues. There has been case law based on the legislation to date, and unfortunately I don't believe there is any interest group here that really wants to represent or is representing potential new purchasers. What we're concerned with is the negative impact of new legislation as it affects the sale and lease of brand-new units from the standpoint of the financial industry and the drying up of conventional sources of financing.

Mr Lessard: You have provided an interesting chart of housing starts here, and I see it's a pretty precipitous drop in the construction of rental housing and a big increase in the construction of condominiums. Have you made any analysis of those changes? Is there anything to which you could attribute that drop in the construction of rental housing?

Mr Ewen: No, I haven't. The source of this information, Canada Mortgage and Housing Corp, certainly has papers, and the Canadian Home Builders' Association also has something. If you wish to contact me, I can get you a copy of that.

Mr Lessard: Thank you.

The Vice-Chair: Thank you very much, Mr Ewen, for appearing here before us this morning. We appreciate your comments.

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BERNIE SIEGER

The Vice-Chair: I'd like to call upon Bernie Sieger. Good morning, Mr Sieger.

Mr Bernie Sieger: Good morning. Thank you for allowing me to be here. I didn't write anything because I didn't know I was required to. I don't represent any group; I am here as an owner-resident. I have been a real estate broker for over 30 years. I don't as a rule handle residential properties, but in my building and the twin

building next door I have sold for and sold to different people.

I've heard quite a few things here today and it's very interesting, but I'm very frustrated. If everything were ideal, I could understand it. I heard someone say that six years is not too long to have anyone on a board or as a chairman. It's far too long. I can only speak for our own condominium, but our president has been there for seven years. In his mind he owns the building. It's that simple. He has been a big shot for so many years that you can't talk to him and there's nothing you can do to him.

The board consists of five people. One is — and I have called him this to his face and put it in writing — a pompous, arrogant bully. He hasn't done anything about it, so I guess he feels it's true. The other person on the board is a friend of his who says, "You rub my back and I'll rub yours." The third one has been arguing so long he's got a heart condition and his wife says to him, "Get off the board," and he refuses. The other two are rubber stamps. So we have in my building a dictatorship. We have two people who are running the condominium corporation and they have hidden agendas.

Another thing I heard today is that people vote. Most people in a condominium don't care. They shrug their shoulders and they figure, "If I don't have to do it and he's willing to do it, let him." Whether he is able or competent, they don't care.

Being in real estate, I read the declaration before I purchased the condominium, and the declaration spells out the financial situation, what I am going to be allowed to do and what I am not going to be allowed to do. I wasn't worried about the declaration because, in order to alter or amend it, you need 100% of the owners to approve, and there is no way that you're ever going to get 100%. One person, by not signing the letter, can stop the whole thing.

In the act as it stands now, "The Lieutenant Governor in Council shall designate a non-profit corporation incorporated without share capital under the Corporations Act to be the bureau for the purposes of this act...assisting in the resolution of disputes between condominium corporations and unit owners and between two or more unit owners." This, unfortunately, was in the original Condominium Act, and a bureau was never appointed.

I'm living in a condominium. According to the act, in order to change the Condominium Act for the declaration, you have to have a meeting and get 66% of the owners to approve any substantial change in the reserve fund. Four years ago or so we needed some work done, and I'm sure it would have gone through. Our reserve fund at the time was approximately \$700,000. The board decided to spend \$350,000, that's 50% of the reserve fund, and according to the Condominium Act, they have to have the meeting, get the approval of 66%, and anyone who objects and loses can then, within 10 days or 30 days, go to the board and say, "I want you to buy my condominium unit at fair market price," which the condominium must do and then they can resell it. But if he's not happy with the change, then he's entitled to have them buy his condominium and move. This particular board didn't bother having the

meeting — just didn't bother. It specifically spells out that they have to, but they didn't. What do I do? They broke, as far as I'm concerned — infringement of my rights — a law. I can't phone the police. There's nobody stated here in this act that I can call. The only thing I can do is call a lawyer and sue them.

I spoke to a lawyer. He said, "Before I write one letter I want a \$1,000 retainer and you can be prepared to pay anywhere between \$5,000 and \$10,000 if we don't go to court." He says, "If the first letter works it won't cost you that, but it'll be under \$1,000." Now, why should I as an owner or any other owner have to go to the expense of legal fees when, when I bought my condominium, the act said that there is a bureau I can go to?

I learned a great deal today in this room, from lawyers and from other people. As I said before, most people are sheep; they just don't care.

The straw that broke the camel's back, about two months ago: According to the declaration, which I read, it says, "The recreation centre," which is shared between our two buildings, "is to be used for recreation and hobby purposes by the owners and tenants." That's it, hobby and recreation. A group of individuals got together and they decided that they are going to hold religious services every week in the party room. A lot of people complained. They went to the board. The board contacted our lawyer. The lawyer said the use is illegal. The board contacted these people and said: "Sorry, you cannot use that any longer; it's not zoned. It's an illegal use of the premises."

One of the observant people complained to the Ontario Human Rights Commission, and this is an insult to everybody in this room. I see the amount of work that's going in. The Ontario Human Rights Commission, forgetting what the act says, said, "They can do it." It was wrong. There's no sense in your wasting time, wasting taxpayers' money and putting in the effort that I see here today if an organization like the Ontario Human Rights Commission can override what you decide, and that's it.

As far as this board is concerned, right today they were doing things, this board, which, when they sent out for the election, sent out a proxy and they said, "If you cannot attend the meeting, give your proxy to" — president's name, vice-president's name. I complained. I said, "That's illegal, it's against the elections act." You can't say, "If you're not going to be there, give it to him or him." They didn't care. Finally, two years ago they stopped.

Just to give you an example, I looked at the minutes of the meeting and the accountant that we have had since day one is a friend and client of two of the board members, the two strong board members. I got up and I looked at the meeting and finally it penetrated that the three remaining members of the board said, "Let's get rid of the accountant." The minutes said the two abstained, the other three voted unanimously to get rid of the existing accountant and hire new ones, and the names were right there.

Two years later, at the last annual general meeting, I got up and I said, "Can you explain to me how this was passed unanimously two years ago and we still have these same accountants, your friends?" The chairman said,

"Well, we had another meeting after that and rescinded it." I said, "Well, where's the minutes?" He said, "We didn't take any minutes." He finally said to me, "Sit down and shut up," because he didn't like what I was saying.

This is what you have to put up with and I am appealing to this committee because I have no recourse. If there was a person I could go to with my complaint who had the authority to step in, investigate without it costing me a fortune, and say, "OK, I've got the minutes," and ask the board, "Why this, why this, why this?" and if they cannot give a satisfactory answer, this committee or this bureau should be in a position to impeach the board, get them out and have new elections, because that's what we desperately need.

To keep a person in for six years is far too long. Three years I think should be the most anybody should be able to serve on the board, and it doesn't take, as I heard someone say, three years to learn what to do. The management handles everything. You meet once a month. By the third meeting you should know what you're doing if you have a brain.

That's all I came here to say.

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The Vice-Chair: Thank you very much. We'll take questions.

Mr Gerretsen: How long do we have?

The Vice-Chair: We have three minutes, each caucus.

Mr Gerretsen: I have a very simple question. These kinds of unfortunate situations I've heard about before as well. It is unfortunate, and I suppose it's one of the problems of condominium-style living that most of the problems people get involved in are of a social nature more than anything else. I've just checked with the parliamentary assistant — and she can correct me if I'm wrong — I understand that provision of that kind of a bureau is not in the new act.

Mr Sieger: I know.

Mr Gerretsen: What you're really saying is that there should almost be something similar to the tenants' rental review board, there should be a person appointed whom you could go to without expending on your own behalf lots of money on legal fees etc, who could maybe assist in resolving these issues by arbitration or otherwise.

Mr Sieger: Someone with power.

Mr Gerretsen: Yes, somebody with power.

Mr Sieger: An ombudsman.

Mr Gerretsen: Yes.

Mr Sieger: Excuse me one second. Regarding the Ontario Human Rights Commission, I sent a letter to the Ontario Human Rights Commission; no answer yet. I sent a letter to the Premier of Ontario, Michael Harris. I got an answer. I'm talking to someone now. I sent a letter to the Ombudsman. They are investigating it. I'm not going to sit by, but why should I have to do it?

Mr Gerretsen: Yes. Mario?

Mr Sergio: Just to complete our time here, you did say that you managed to read the declaration.

Mr Sieger: Yes.

Mr Sergio: We had one of our previous presenters saying that hardly anyone bothers to read the documentation because it's so voluminous. One reason is the language that is used in all the documentation — the bylaw declaration, the act, whatever. When they start to look at it and read it, people just become disenchanted and —

Mr Sieger: Excuse me, sir. I'm not a lawyer, but I can understand it. It is in plain English.

Mr Sergio: Yes, so how many people do you think bother to read all the documentation, and should there be a digested version of all those documents to make it more simple?

Mr Sieger: I don't know. It's simple to me. If you don't want to read the documents and you don't want to give it to your lawyer to read, then you have no recourse. When I read that there is a bureau that can take care of it, and this is the law, I have nowhere to go. The only way I can go is go to court. I think something should be built in.

Mr Sergio: Are they still holding religious meetings in the —

Mr Sieger: Yes, because the Ontario Human Rights Commission said they can. This, by the way, was done under mediation. I've heard a great deal about it. I didn't know we even had our own Gestapo, but the people who were there were told that they cannot divulge anything. The rest of us weren't even allowed to go.

Mr Sergio: What did the corporation do?

Mr Sieger: The corporation did nothing. The corporation mediated. The corporation had no business in it, they caved in, because they could have said to the Ontario Human Rights Commission, "Sorry, what you're asking us to do is illegal and we don't want to talk to you about it."

Mr Sergio: Thanks for coming down for this presentation.

Mr Lessard: I was interested in your suggestions for the new legislation to try and deal with the difficulties you're experiencing. I guess one of the things you're suggesting is something like an ombudsman under the Condominium Act.

Mr Sieger: Yes.

Mr Lessard: The provisions that are in there now with respect to permitting you access to the courts, that's something that I take it you're not satisfied with?

Mr Sieger: It's very costly.

Mr Lessard: Have you tried that route?

Mr Sieger: I spoke to a lawyer and, I told you, he said before he would send the first letter he wanted a \$1,000 retainer and he told me I could spend anywhere between \$5,000 and \$10,000 if we don't go to court. If we go to court it will be \$20,000 or \$25,000. Legal today is very expensive.

Mr Lessard: One of the suggestions in the legislation is that there be an opportunity for mediation and arbitration. Is that something you think holds some promise?

Mr Sieger: If the person who handles it, who presides, has the power to do what some people would consider

drastic moves. In other words, if he found out that a board was corrupt, he would have the right to impeach the board and force new elections. If a person like that came along — now, I might come to him and he might say to me, “I’m sorry, but you just want too much.” I don’t know. Right now there’s nothing.

Mr Steve Gilchrist (Scarborough East): Mr Sieger, you won’t hear it from the other side, but I’ll certainly agree with you that the Ontario Human Rights Commission is just as you describe them and I find it utterly offensive that it doesn’t matter that the law says a certain thing, it doesn’t matter that the majority of the people in your building have rights. Those rights are reflected in the laws passed by your government, and yet some tinpot dictator can decide, on the basis of one person’s supposedly infringed rights, that the rights of hundreds of other people don’t count. I would ask you to give me a copy of that ruling because I think this is something I would personally like to follow up on.

I would like to deal with your comments, though, about the mediation and arbitration. You know that the bill as proposed right now does in fact expand your access to other arbitration and mediation methods. I don’t know — have you had a chance to read the act in detail?

Mr Sieger: Yes.

Mr Gilchrist: Do you have any comments on how the proposals to increase mediation could be expanded to deal with the specific problems that you have encountered in the past?

Mr Sieger: No. I think it would be as in the old act — the new act doesn’t even mention it — that someone, some group or bureau should be appointed to handle complaints, trivial or not. It would be up to them whether it was trivial.

Another thing this committee could put in: In the declaration it says “hobby and recreation purposes” for your recreation centre. It could stipulate, “religious services, no” “nudity, no” — I’m waiting for a nudist colony to start in our rec centre — or “funerals, no”. There are certain things that it doesn’t spell out that you just take for granted; it’s not recreation and it’s not hobby. This committee could stipulate the no-no’s. There are certain things you don’t want there.

Mr Gilchrist: It would be just as fair though, would it not, that if your board had a more rapid turnover in the members so that you had a greater chance to reflect the current views, that would be something you could impose internally, not just from government coming in and being intrusive?

Mr Sieger: But your board is usually made up of people who take the job because nobody else wants it. I was on the board for three years. We did a lot of work and then this one person, who is now the chairman — it went to his head. You can’t even talk to this man. I have been told to sit down and shut up by him and so have other people.

Mr Gilchrist: Your submission to us is that it should even be tightened up to a shorter period, perhaps three years?

Mr Sieger: To shorten is proper. Yes, three years is plenty. At the end of three let him stay out for a year. Give someone else a chance.

Mr Gilchrist: Thank you for your time.

Mr Sieger: Management usually does all the day-to-day work.

The Vice-Chair: Thank you very much. I think we have opportunity for Mrs Ross and that’s it.

Mrs Ross: I just wanted to follow up on the term. You just made a comment, “Nobody wants to run for a term of office.” You’re saying on the one hand nobody wants to run, but you’re also saying they should be allowed — we’ve heard from other people saying they should be allowed to run for a long time because of that very reason, you can’t get anybody to run. I’m curious to know; you ran for three years, you said.

Mr Sieger: I was on for three years, yes.

Mrs Ross: Did you decide not to run again?

Mr Sieger: I was on for three years. In our condominium there is a stipulation, no pets. Now, some people have cats, some people have dogs. I got on the elevator one day and some woman had — it looked like a horse — a huge dog, and I started to sneeze because I’m allergic. I said, “Lady, this dog shouldn’t be on the elevator,” and she, in so many words, made a racial remark to me. I told her off.

The president came to me. She went to the president and told him what I had said. I didn’t swear at her but I did tell her off. He apologized to her on my behalf and then gave me hell. I said, “Look, your mandate doesn’t — you know, you’re not the conscience of this building.” He said, “If you don’t like it, that’s too bad.” I felt I could do more being off the board than on, and I left. They’ve got a file that thick for me. I put every complaint in writing — I’ve got some of it here — and they’re very upset about it.

The Vice-Chair: Thank you very much, Mr Sieger.

Mr Gerretsen: On a point of order, Madam Chair: Just let the record show that the Ontario Human Rights Commission is headed up by a former Conservative cabinet minister, Mr Keith Norton.

Mr Gilchrist: My guess is he wasn’t the person who ruled on this particular issue, as you’re well aware.

Mr Gerretsen: In five years from now —

Interjections.

The Vice-Chair: Order, order. Thank you very much, Mr Sieger. We stand adjourned.

The committee recessed from 1200 to 1540.

The Chair: Since the committee is already running almost 15 minutes behind and we’re dealing with deputations here, I think we’ll reconvene this committee. For the record, the NDP caucus is not here yet, but certainly they’ll be given their appropriate time to ask questions.

CANADIAN CONDOMINIUM INSTITUTE, ONTARIO

The Chair: I would ask the Canadian Condominium Institute to approach the table. Thank you very much for

your patience in waiting and attending on the members. Could you introduce yourself for the Hansard record. You have 20 minutes to use as you wish.

Mr Jerry Hyman: My name is Jerry Hyman. I represent the Canadian Condominium Institute and I appreciate the opportunity of being able to speak to you today.

The Canadian Condominium Institute supports the passage of Bill 38 and recognizes the excellent work of the ministry in formulating it. However, the changes which have been suggested by the ACMO-CCI joint committee are important and, in many cases, necessary. They do not represent a vested interest of any group. CCI is a non-profit national organization with chapters across Canada whose primary goal is education of condominium directors and others.

As I believe was pointed out to you earlier, the joint ACMO-CCI committee included many of the top condominium professionals in Ontario who devoted considerable time to a section-by-section review of Bill 38 and to the preparation of the recommendations which you have received and which I believe you have in front of you, I hope. We sincerely hope that serious consideration will be given to our comments, particularly so that we might avoid the dislocation, controversy and in fact criticism which is likely to ensue if the act is passed entirely in its present form.

I would like, first of all, to comment on subsection 43(1), which may have already been referred to and probably will be again. The suggested amendment may well be the most important of all amendments recommended by our joint committee. Subsection 43(1) requires the declarant or developer to call an owners' meeting not more than 21 days after the developer ceases to own a majority of the units for the purpose of replacing the developer's board of directors with a board of directors elected by the unit owners.

The problem is that the developer at the time of the turnover meeting may still hold title, for example, to 30% or 35% of the units. The developer can defeat the intended purpose of section 43 by using its concentrated minority voting power to ensure that the declarant's or developer's representatives are re-elected to the board of directors. In other words, the developer can prevent the election of directors by the unit purchasers as intended by the act. Responsible developers do not do this. I should repeat that: Responsible developers don't do that. Other developers have done so. The effect is not only to avoid the turnover intended by section 43 but to render meaningless a number of other provisions in the bill which are intended to protect the condominium corporation and the unit owners.

For example, continued control of the board by the developer after turnover would permit the developer to cause the condominium corporation to enter into a sweetheart management contract with a subsidiary of the developer. They would do that after the turnover meeting, thus bypassing the provisions in the bill which permit the new board to terminate management agreements

previously entered into by the developer's board. Once a management agreement is entered into by the developer's board after the turnover meeting, the right under the bill to terminate the agreement disappears. The condominium corporation and subsequent boards of directors will only be able to terminate such agreements in accordance with termination terms, if any, in the agreement. Similarly, subsequent boards may lose the right given in the bill to terminate other agreements entered into by the developer's board.

The developer is obligated to pay the condominium corporation the amount by which the first year's common expenses exceed the budgeted amount shown in the disclosure statement which the developer gave to unit purchasers. A turnover board controlled by the developer could delay or refuse to carry out necessary maintenance or repairs or could delay or refuse to obtain necessary services in order to push costs beyond the first year. This could not only minimize the developer's obligation in regard to costs which exceed the first year's budget, but would reduce the common expenses payable by the developer for the units which the developer still owns at that time. The higher common expenses will be postponed to subsequent years when the developer has sold its remaining units.

The suggested amendment is quite simple. It merely states, "A majority of the directors elected at the turnover meeting," — and I should stress only at the turnover meeting — "shall be elected by owners other than the declarant." That amendment, if made, will cure some of the most serious abuses arising out of the turnover meeting. The amendment will not in any way affect the vast majority of developers who act responsibly and who do not attempt to control the board after the turnover meeting.

I have been requested to comment on section 77, which deals with the status certificate which we presently refer to as an estoppel certificate. That's a certificate which can be obtained from the condominium corporation and sets out certain prescribed information relating to a particular unit and to the condominium corporation in general. It is usually obtained by purchasers of condominium units or by their lawyers.

Section 77 deals with what must be contained in the status certificate. If you look at clauses (b) and (c), you'll see that they require disclosure of increases in common expenses and in contributions to the reserve fund which the board has declared or levied since the date of the corporation's budget. We suggest that the status certificate should include increases which the board knows or anticipates will be levied for the current or next following fiscal year.

That's consistent with the requirements in the present act, that is, that the corporation must set out any knowledge of any circumstances that may result in an increase in the common expenses. We see no reason for limiting the disclosure. Purchasers of condominium units should be made aware of contemplated increases in

assessments of common expenses or reserve fund contributions.

Clause 77(1)(m): This provision requires disclosure of the amount that was in the reserve fund no earlier than the end of the last fiscal year of the corporation. We believe the disclosure should be of the amount in the reserve fund no earlier than 90 days prior to the date of the status certificate.

Clause 77(1)(o) makes reference to section 84 of the bill, which requires an owner who leases his or her unit to provide the condominium corporation with the lessee's name, the owner's address and a copy of the lease or a prescribed summary of the lease terms. This provision, clause 77(1)(o), stipulates that the status certificate should set out the number of units in regard to which the corporation has received notice under section 84 that those units have been leased. The obligation to notify the condominium corporation of a leased unit, the unit owner's obligation to do that, exists in the present act. It is rarely complied with since the unit owners are either not aware of the provision or simply ignore it. Information in this regard contained in the status certificate would not only be inaccurate but would be misleading. We recommend that this sub-section be deleted.

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I've also been requested to comment on certain provisions commencing with section 100. Subsection 100(3) is a provision that stipulates that the condominium corporation's property insurance "shall not contain an exclusion for damages caused by construction defects." This one is very important. That provision simply cannot be complied with. Ontario insurers are dependent upon international reinsurers who require the construction defects exclusion, which is a standard international exclusion. So a condominium corporation will not be able to obtain insurance containing such an exclusion.

Subsection 106(2) stipulates that an owner or lessee of a unit is responsible for the cost of repairing damage to that unit caused by the owner's or lessee's act or omission to the extent that the cost falls within the deductible under the condominium corporation's insurance. We believe the provision is too limited in its application. It applies only to owners and lessees but not to their families or guests. It applies only to damage to the owner's or lessee's unit and not to other units or common elements which are damaged. The suggested amendment will extend the obligation to other residents or guests and will extend responsibility to damage caused to the condominium property rather than just to the owner's unit.

Subsection 106(3): We recommend that the provision shown in our joint recommendations be added. Subsection 106(1) states that the cost of carrying out repairs which fall within the deductible is a common expense, a point which my confrere to my right is going to deal with shortly. If that is the case, then the act should also specify that the obligation to carry out the repairs rests with the condominium corporation and not with the unit owner as would otherwise be the case.

Clause 108(2)(b): This provision prohibits the corporation from amending its declaration or description for a period of three years if the developer retains at least one unit during that period. We are of the opinion that this provision, in preventing declaration amendments, is far too restrictive. This is particularly so since the declaration can only be amended in any event with written approval of owners of either 90% or 80% of the units, depending upon the provision to be amended. It will be extremely difficult for a condominium corporation to obtain the required approval. If a declarant who owns even a small number of units is not in favour of a proposed amendment, the 90% or 80% approval will likely be impossible to obtain. A declarant or developer who owns eleven units in a 100-unit condominium can block an amendment requiring 90% approval even if every other unit owner votes in favour of the amendment.

The recommended amendment permits a declaration amendment if the declarant or developer has transferred 95% or more of the units and would reduce the three-year prohibition to two years. The amendments also clarify that locker and parking units are not to be brought into the calculation of the percent of units owned by the declarant.

That concludes my comments.

The Chair: Thank you for your presentation. That would leave us with about six minutes left, which is a couple of minutes per caucus. We were last with the Liberals, so it will be the NDP caucus.

Mr Lessard: I just want to thank you for your presentation. It was a lot of information for us to consider.

The Chair: Mrs Ross for the government side.

Mrs Ross: Thank you for your presentation. I appreciate it. As you know, the Condominiums Act has been something this government has been considering since 1996, and I know your industry has been involved in those consultations during that period of time. Some of the recommendations that you've made here, I'm curious to know if you would have recommended these during those discussions between 1996 and now when some of those issues were put forward.

Mr Hyman: Yes. For the most part, these are issues that have been made by CCI and to some extent by ACMO. Of course, some of these recommendations flow from specific provisions in the present bill, and some of those provisions differ from what we have seen previously. To that extent, our recommendations are new.

Mrs Ross: Can I ask you if you think this bill that you see before you is a significant improvement on the previous act?

Mr Hyman: Yes, we believe it is. That's why were in support of it. I guess the problem is that it moves into so many new areas, so much new drafting and is so much longer than the previous act that there are bound to be some glitches in it and that's what we've tried to deal with.

Mr Sergio: Just a comment more than a question. I have enjoyed your presentation and you have made a number of good points. I hope the members will take note here at our committee level and incorporate some of those

suggestions that will help make the bill better. The act has been changed many, many times but there is always room for improvements, especially in the areas you've mentioned with respect to absentee landlords or where the developer still owns a majority of votes and so forth. That's an area that we hear complaints on a regular basis, especially the relationship between boards and management.

I appreciate your coming down and making good comments and I hope we can incorporate some of them and improve the bill.

The Chair: Thank you very much, Mr Hyman, for your presentation.

CANADIAN CONDOMINIUM INSTITUTE, OTTAWA CHAPTER

The Chair: At this point, we would call on the Canadian Condominium Institute, Ottawa chapter. Could you introduce yourself for the Hansard record, please.

Mr Jim Davidson: Thank you and good afternoon. My name is Jim Davidson. If I may, briefly, by way of introduction, I am here today on behalf of the Ottawa chapter of the Canadian Condominium Institute, which has a membership of some 289 condominium corporations. I am also a director on the national board of the Canadian Condominium Institute and I am a member of the CCI/ACMO joint legislative review committee with my colleague Mr Hyman and others. I am also here on behalf of my clients.

I am a condominium lawyer with the law firm of Nelligan, Power in Ottawa. I've been practising condominium law for 15 years. I've practised exclusively condominium law. For several years I have been the condominium law lecturer at the Ottawa bar admission course. Our firm has over 400 condominium corporation clients throughout eastern Ontario — Ottawa, Kingston, Brockville, Belleville, Peterborough and in between. I am the chair of our firm's five-lawyer condominium practice group and I am very grateful for this opportunity to speak with you.

Today I have only a few concerns to express, and one in particular I'm going to spend most of my time on. It's my first and foremost concern and it relates to insurance deductibles. It is a concern that we've expressed for a numbers of years but I don't know that you would have heard it in the last few sessions. This is section 106 of Bill 38. It is my view, and the view of those I represent, that section 106 as presently drafted presents a big problem. I will explain as follows.

As you know, condominium corporations are made up of units and common elements. Generally speaking, the unit owners repair and maintain the units and the condominium corporation maintains and repairs the common elements. So we have this division of responsibilities as between the condominium corporation and the unit owners. However, the condominium corporation obtains insurance on its own behalf, and on behalf of all owners, covering the common elements and the units. The condom-

inium corporation buys insurance covering everything, for the protection of the condominium corporation and the unit owners.

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The difficulty, of course, is that this insurance is subject to a deductible, and these deductibles on condominium corporation insurance policies are rising. A \$5,000 deductible is common now. A \$10,000 deductible is not unusual. We have four clients with water damage deductibles of \$25,000. The practical fact is that condominium corporation insurers only want to deal with big claims. That's why the deductibles are growing on these, what we call, master policies or condominium corporation insurance policies.

I'd like to take an example to show what this means for condominium owners. Suppose there's a pipe that bursts in a condominium, and let's suppose \$10,000 damage is caused to drywall in the unit containing the pipe, and suppose the deductible on the corporation's policy is \$10,000. The corporation has no insurance for the loss. You have, basically, an uninsured loss, in other words, the deductible, which is \$10,000. The question is, who should pay the deductible, the \$10,000?

There are two possibilities. Possibility number one is, if the owner of the unit is held responsible for the deductible, then the owner's insurance can cover the loss. Condominium owners can buy insurance covering their unit — note that this applies to unit damage — and the insurance will have a much lower deductible, usually \$250, just like any other homeowner's insurance. The point is this: Condominium owners can buy insurance that condominium corporations cannot. Condominium owners can buy insurance like any other homeowner. Condominium corporations can't do that. So possibility number one is this: Let the owner take responsibility for the deductible as far as concerns damage to their unit and let the owner buy insurance for that risk.

Possibility number two is, make the corporation responsible for the deductible; make the deductible a common expense. This means the corporation always pays the deductible. This means that all owners in the corporation pay the deductible through their common expenses. This means that condominium owners are forced to self-insure for the deductible. That's basically what it means. It means that condominium owners lose the opportunity or the choice to obtain their own insurance for this risk.

I have attended in the past few years dozens of condominium meetings where I have presented these two possibilities to condominium owners. I have asked them, "Do you want to accept responsibility for the deductible in case of unit damage and use your own insurance for that or, instead, do you always want to pay the deductible through your common expenses?" In about 95% of the cases they have opted for the first possibility, to accept responsibility for the deductible and use their own insurance. In fact they have passed bylaws to achieve this. I've handed around today an example of the kinds of bylaws that condominium owners decide to vote in favour

of so that they can use their opportunity as homeowners to buy insurance covering their unit. I've given that so you can see what it looks like. In my experience several dozen condominiums in the eastern Ontario region have done this.

Section 106 of Bill 38 takes this flexibility, this option, away from condominium owners. It forces condominium owners to self-insure for these big deductibles. This puts condominium homeowners in an inferior position compared to other homeowners. They have less flexibility in their insurance arrangements. Note that I am not referring to damage caused by an owner; I'm referring to no-fault damage, which is the most common situation. Damage caused by an owner is another, separate concern. Again, I'm referring to the no-fault situation.

I have been writing, and my clients have been writing, to the ministry about this issue for years. I'm sure you have a stack of literally hundreds, dozens of letters specifically on this issue. I was dealing with Jim Flaherty on it, Lillian and I have talked about it, and I don't think we've been fully understood, with the greatest of respect. Most recently I sent a letter to the minister on this topic. I've distributed it to you. The clerk has helped me with that. My letter explains the law. We have a beautiful Divisional Court decision recently issued which describes the law, just as I've told you. I've attached it. I've described a very simple change that can be made to the legislation to allow condominium owners to decide by bylaw if they want to take on the responsibility for these deductibles and if they want to use their ability to buy insurance to do that.

I've given you a CCI Web site announcement that explains how this works currently under the current law. What I'm saying to you is that section 106 is going to throw this all off kilter. It's a situation that now we understand and that works well in condominiums.

As a last effort on this, in the last few days I went back to many of my clients and many others involved in eastern Ontario in condominium law and condominium management, directors, and I got a petition. I'm going to give it to you. Dozens of people have signed this, a hundred and some people. I've got signatures. Let me read this to you just to emphasize again what I'm saying.

"We, the undersigned, do not agree that condominium corporations should always be responsible for the deductible in no-fault claims. To do so has the effect of forcing condominium owners to self-insure through their contributions towards the common expenses for the deductible on the condominium corporation's master policy.

"We believe that many condominium corporations by a vote of the owners" — the bylaw — "may decide that owners will bear the responsibility for the deductible in the case of unit damage. Unit owners can obtain insurance for these deductibles. We believe condominium corporations should have this flexibility, otherwise condominium owners will be denied the opportunity to obtain insurance which is available to all other single family homeowners in the province of Ontario.

"Please revise the wording in Bill 38 to permit condominium corporations, by a vote of the owners, to hold individual owners responsible for the deductible on the condominium corporation's insurance policy in the case of unit damage."

I've offered that wording to you in my letter to the minister. Basically what it says is that to get this flexibility it would require a very minor change to subsection 106(1) along the following lines. The section begins, "Subject to subsection (2)" and then you add "and subject to any bylaw of the corporation," so that if they don't have the bylaw, the condominium corporation will pay the deductible, but they can decide by bylaw to change that. That's all we're asking for: some flexibility in this. Then you could add to the bylaw section, section 56, the provision to allow for that.

That's my foremost concern of all of the things I'm worried about. If I've got a couple more minutes, I had a couple more concerns. If I do, that would be great.

The Chair: You have about five more minutes.

Mr Davidson: Thank you very much, Mr Chairman.

My other concerns are the question of damage, still dealing with the deductible, which is caused by a resident. I support some of the things you've heard from Mr Hyman and the CCI-ACMO legislative committee, that that should be broadened. First, the no-fault situation I've just talked about, please deal with that. Second, for the causation situation, it should be broadened along the lines that CCI-ACMO have suggested.

I want to talk briefly about subsection 31(3). This is the section that says that directors can only stay on the board for six consecutive years. I guess the theory behind this section was that we wanted to get new blood on these condominium boards. I've reviewed this at seminars, at lectures with condominium directors and owners in eastern Ontario; none of them like this. Generally speaking, they say it's difficult to find directors, it's difficult to find people who are willing to sit on these boards, let alone boot them off after six years. If people really want to get rid of somebody, they can do so through the regular election process. Most of the people in eastern Ontario I talked to said they don't like this provision, and I don't think it makes sense either, so that concerns me.

There's one final thing I want to mention to you. The new legislation brings in the concept of mandatory mediation and arbitration. Mandatory mediation and arbitration is an excellent concept for very complex disputes between people, disputes that are going to involve very expensive litigation and things that could benefit greatly from a savings in time through the mediation and arbitration process. But the fact of the matter is that mediation and arbitration is itself quite time-consuming and expensive, so it's a good idea if you have very weighty, expensive litigation waiting for you unless you do the mediation or arbitration.

What we have now under the present Condominium Act is a very quick summary procedure, an application to court to deal with disputes with owners who make too much noise, throw things off balconies or destroy property

at the condominium etc, what we call a section 49 application under the current act. It's very efficient and very fast. My fear is that mandatory mediation and arbitration for disputes between a condominium corporation and owners is going to make it more cumbersome and more expensive. I think we're better off with the current arrangement, which is just the application.

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The Chair: Very good. I appreciate your comments, which leave us about two minutes per caucus. We start with the government caucus, Mr Gilchrist.

Mr Gilchrist: Thank you, Mr Davidson. I take at face value your comments on the insurance issue. You've certainly given us a lot to consider, and there's nothing in your presentation I would disagree with in terms of your rationale.

I would like to talk about the issue of the turnover of governing bodies. We had it described by a presenter on the first day of these hearings that the condominium is really a fourth level of government. It delivers all those services. It has taxing authority, in the sense of common area costs. So I'm somewhat intrigued that anyone other than the incumbents or perhaps the developers who have formed a relationship with their subsidiaries and the management companies that are quite frequently set up would be happy with the idea of no elections nor forced turnaround. Perhaps you could try to relate that to what we would have in the electoral arenas, municipally, provincially and federally. Do you take the same view, that just because very few people ever run for political office it wouldn't be a good idea to have elections?

Mr Davidson: No, I certainly don't agree with that. I'm a big proponent of the elections. What I'm concerned about is the six-year turnover. Is that what we're talking about?

Mr Gilchrist: Exactly. My second question to you was, why would we even want to go as long as six years? We had a gentleman this morning who was absolutely outraged at the idea that his board has been there — and while you're quite correct in suggesting that all you have to do is run, there's no doubt there's a tremendous inertia and the incumbents have a tremendous advantage. Without some other inducement for people to belly up to the bar, I don't think, from my experience and what we've heard in this committee, that reflects what condo users see as their best interests.

Mr Davidson: My experience is that condominium communities are relatively small. They know one another. It's quite easy to get your message out to the owners. It's quite easy to make presentation if you want to get on the board. There is a regular election process. If you're interested in getting on the board, I don't see that that's usually going to be a problem, and it's also very easy to campaign, to get to your owners.

I don't see the concern of entrenchment. I see a bigger concern of maintaining continuity in condominiums. Condominiums suffer if they replace good, hard-working people who are ready to volunteer. Condominium owners don't gain any advantage by being on a board; it's just

volunteering their time. In my experience, most directors who want to be there and stay there are energetic people who really want to do good for their community.

Mr Gilchrist: We all hope that, but —

The Chair: Mr Gilchrist, if you could just wrap it up, I think you've made your point very well.

Mr Gilchrist: That's two minutes, all right.

The Chair: Yes, thank you. For the Liberal caucus, Mr Sergio.

Mr Sergio: Your explanation with respect to the deductibles is quite interesting, and we had other people mentioning it as well. Now, you did say that you had some meetings or correspondence with Mr Flaherty?

Mr Davidson: Yes.

Mr Sergio: From your presentation, I believe you have been rather forceful in your views on that particular point.

Mr Davidson: I am forceful in my views about that.

Mr Sergio: To me, it does make sense. Why do you think something that makes sense, that improves the situation — and you have a petition signed by unit owners, I would assume — would benefit the individual owner? I think we have to be concerned with that. Why would you think the government side, the minister himself, would not take into consideration including that? What is the explanation he gave you for not including it?

Mr Davidson: Well, I can tell you how this evolved. I spoke a great deal with one of the drafters of the legislation on this issue. We had discussions about it, meetings about it. I don't mean to offend anyone, but it is sometimes a subtle issue for people, and I don't believe he understood the concern. Despite numerous letters, numerous petitions, I don't believe he appreciated what we were concerned about. I think he assumed we were concerned about the situation where owners cause damage. That is not the concern. We're concerned about the no-fault situation, the pure insurance situation. We've been struggling and working in eastern Ontario to try to have this issue understood.

Mr Sergio: This is a very important issue. Can we have the parliamentary assistant perhaps answer? I would like to hear the position of the government on this issue right here, in the open committee.

Mr Gilchrist: That's presumptuous. On a point of order, Mr Chair: This isn't debate; we're here to listen to the deputants.

Mr Sergio: I resent this presumptuous attack from a member of this committee. For goodness' sake, we have a deputant here who has said that he has met with the minister, and I am only trying to find out if the parliamentary assistant would be willing to listen and to bring it to the attention of the minister. To hear the member for Scarborough East calling me presumptuous, I find that very offensive, which means that you have no respect for the people coming down here. You ought to be ashamed.

Interjections.

The Chair: Members. Mr Sergio, out of respect for the integrity of your question, Mrs Ross is willing to give a quick response. I appreciate that.

Mrs Ross: This issue, the insurance, is something we have heard from other presenters, and it is something the ministry is looking at. Amendments will be brought forward next week, and we'll look at it carefully.

Mr Davidson: I'm delighted to hear that. May I offer this: I don't mean any disrespect or offence to anyone. This issue has had difficulty. It's a subtle issue, and it's not an easy one to come to terms with. I express my comments in full respect; I'm forceful, I know.

The Chair: Mr Lessard.

Mr Lessard: My only comment is that I thought that was a very reasonable response, and I'm glad, Mr Chair, you could bring some reason to these proceedings.

The Chair: Well, thank you very much, for the record, of course.

I appreciated your presentation this afternoon. You've raised a very good point, and I'm sure the committee members have taken it seriously. Each caucus, of course, has permission to submit amendments. If we get three, from all sides, we'll have unanimous consent on the amendment. Anyway, thank you very much for your presentation.

Mr Davidson: I'm grateful, and thank you.

BROOKFIELD LEPAGE RESIDENTIAL MANAGEMENT SERVICES

The Chair: Next we call John Oakes. I appreciate, Mr Oakes, that you were willing to change your time around to accommodate other presenters this afternoon. You have 20 minutes to use at your discretion. If you could, for the record, of course, give your name.

Mr John Oakes: Good afternoon, Mr Chairman and members of the committee. My name is John Oakes. I'm the executive vice-president of Brookfield LePage Residential Management Services. Our company is currently the largest manager of condominiums in the greater Metropolitan Toronto area, and for that matter in Canada, with in excess of 150 condominium corporations and 25,000 units in our portfolio.

I personally have been involved in the management of condominiums for over 23 years. I have attended the better part of 3,500 board meetings and probably more than 500 annual general meetings. The reason for this is that I am in the trenches, in a sense, in terms of what is really going on in the condominiums. I've also acted as a consultant to over 80 developers of condominiums in Ontario, and my role there is to prepare first-year operating budgets, to prepare schedule Ds to the declaration which sets out each unit's percentage interest and percentage contribution to common expenses. I've reviewed many disclosure statements and condominium documents from a property manager's point of view, trying to take my experience and make sure these developers are including in those documents things that give us trouble. When I introduce myself to these developers, I certainly say: "I am the ghost of Christmas future. I am the future board of directors breathing down your neck. Please do it right the first time."

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I've been a member of the national board of CCI for six years and a director of ACMO for three and have served as the president for the last two. I also chaired the ACMO legislative review committee and over the last number of months have worked with that committee and in concert with CCI to submit the presentation that was made last week, which contained some 168 recommendations.

I'm here today to make my own personal plea and pitch to ensure that this legislation is as good as it can be and to do whatever I can to reduce the conflicts, confusion and litigation in the future and promote changes that I believe will improve condominium living for our residents and future generations. If you don't live in a condominium now, you may very well live in one in the future. I think it's an outstanding form of housing, and I would certainly recommend it.

I'm only going to focus on several issues, and let me just say to begin with that ACMO and CCI are very pleased with the number of changes and the quality of changes that have been made. We've come a long way. But there are still a number of glitches that we believe should be sorted out.

We have accumulated in our joint committee — and I'm not here speaking about the joint committee, but I want to make reference to it — a great number of housekeeping issues that should be sorted out now. If they are sorted out now, they will eliminate a lot of confusion, conflict and potentially litigation in the future.

I really hope you take time to look at those simple wording changes and perhaps try to make as many of those little housekeeping or technical issue changes as possible. I'd hate to see third reading occur quickly, without attention to those issues. My plea is: We want the changes you've made, we want them as quickly as possible, but we want them to be right.

The second issue, I know, is a very sensitive issue and a very political issue for you. Perhaps Lillian remembers that she attended the condominium conference last fall. At that conference, it was loud and clear that those condominium corporations that have age restrictions within their declarations wanted to preserve those rights. All we are looking for at this stage is the right to preserve those rights in those declarations. Out of our 150 buildings, we have only three buildings that have that kind of provision. But it is still a very large issue for those buildings, and it's something you should give serious thought to and make the appropriate changes.

As Mr Hyman mentioned, with respect to turnover meetings, the owner-occupants of the building should have the right, an unimpeded right, to elect the directors they feel would best serve their interests and the interests of the building. I think many developers and declarants have a fear that giving up this right, or giving up their right to vote in those situations, is going to prejudice their ability to sell remaining units and is going to have a negative impact on the quality of the building. Quite frankly, I don't believe that to be the case. In every board I've dealt with in the first-board situation, and I've started up over a

hundred buildings, those individuals do elect very responsible directors who have only the interests of the building at heart.

I think that is very important: that that be the start for that building. Many of the developers I know have not got a huge concern about this, because they're reputable builders. I could name 10 buildings right now where the developer has walked into the meeting and said: "We will not be voting for the directors. We will let you pick your own directors." I can name you 10 buildings where the owners have elected one of the declarants, employees, as the director of the building. So, if it's forced on us, I think it's dangerous.

Item number 4: I believe you should give up some authority to collect funds from the owners in a way that is not dependent on schedule D to the declaration. For example, I have two or three buildings right now that are entering into bulk service cable agreements with the local supplier. At the present time, every owner is paying the local cable company directly. They want a master contract. The cable company will give the building a substantial discount, ranging anywhere from 30% to 45%, if it's under one contract. The difficulty is that in buildings with a wide range of suite sizes — and suite sizes are typically used in the creation of schedule D — you have some owners who are going to pay a whole lot less for cable because their percentage is low and you're going to get many owners who in fact are going to pay a whole lot more for cable when the cable cost is really an expense that is equal among all the units.

What we'd like is some flexibility and some ability to say: "We want to charge your cable. It's \$30 a month. All the units are going to pay \$30 a month, regardless of what is specified in schedule D." If you can do something like that, that would make it very easy.

We also have a number of contracts where the unit owner is responsible for maintaining the heating and air conditioning equipment in the unit, for example, a heat pump or a fan cooling unit. They really don't know a lot about these heat pumps, so the condominium corporation steps in and says: "We'll go to a local supplier and we will make a master deal. If we have 100 units out of the 150 units in the building who sign up with the supplier, the cost will be \$50 a year." The corporation has great difficulty in collecting that \$50, because it's not technically a common expense attributable to the unit. Further, if you use schedule D, which is allocation based on square footage, it's not fair to those unit owners who have large units.

The other thing on this issue is that we have all kinds of situations where an owner will do some damage to the common areas: run through a garage door — it's on a tape; we've got cameras in elevators and we've watched vandalism — we have all kinds of situations where an individual owner will do some damage, either accidentally or otherwise. We have no ability, in the current act and in the proposed bill, to go to that owner and say, "You owe us for the damage that you've caused." The owner can easily take the position: "This is normal wear and tear and

maintenance in the common areas. I pay my common expenses just like everybody else, and those common expenses should be used to pay for that garage door, broken window or whatever." I think corporations should have some right to go to an owner and try to collect that.

On the tenancy issues, there's not a lot of reference to tenants in the bill. I guess our fear is that there's one provision related to a building that's being converted and the preservation of the rights of the tenant. We certainly have no problem with that whatsoever. In fact, we've got some very responsible tenants. Many of our tenants are far more responsible than our owners, so that's not the issue.

The issue is that if the tenant maintains and keeps his rights according to the Tenant Protection Act, he can in fact retain a pet, for example, in a no-pet building, because we can't get pets out of rental units. But if there's a no-pet provision in a declaration, we have not had any difficulty getting pets out of condominium units. If the tenant keeps his rights under the Tenant Protection Act, but the condominium unit owner doesn't have those rights, we've got two classes of citizens and we could in fact have tenants with dogs in buildings where owners can't have dogs. That's something that has to be fairly easily sorted out, and I think ACMO-CCI mentioned that.

I was not in attendance at the People's Animal Welfare Society presentation so I don't know exactly what they said, but I did talk to ministry staff about this issue. They said, "What do you think about allowing all buildings to have pets?" or something to that effect. We have a number of buildings that have no-pet provisions and these buildings are usually in the downtown core. I think those rights should be preserved. If you want to move into a no-pet building, you've got the right, and if you want to move into a building that allows pets, you have the right.

I really don't believe it's in the best interests of the dogs and the cats and the other pets, or the residents of a building, particularly in a downtown urban area. We have a dozen buildings that don't have a blade of grass anywhere on the property. We have people walking their dogs through parking garages, and this just doesn't seem to me to be the environment for dogs or any other kind of pet.

1630

The next issue I think Mr Gardiner addressed. There are a number of developers who set up recreation space or facilities as units in a building. In one situation you have a unit — a swimming pool would be a unit — which is shared by two buildings. In another building, it would be a common element, also shared by two buildings, but it would be a common element of the one building, and the other building would simply have a right of access and use. We're concerned that the window is open here to allow the taxation department or the assessment department to assess those recreation units, access control units, gatehouses, communication control units, mechanical room units — I've got elevator units, all kinds of funny units in our condos — some level of taxation.

I just don't think that's fair, because the vast majority of buildings aren't getting taxed on their elevators, their

swimming pools and other things. It's just the way the developer has set it up legally. The facilities in a building have a direct impact on the market value of the unit and therefore you are receiving taxes. If you tax a swimming pool, for example, you're getting a double taxation.

I want to thank the committee for the opportunity to speak, and I want to express my appreciation to the ministry for all the work that it has done to help make this a good bill. We certainly appreciate all the attention that this legislation has received by the ministry.

Mr Sergio: Thanks for coming down to make a presentation. Just one quick question.

How much time do we have?

The Vice-Chair: We have about three minutes per caucus.

Mr Sergio: In your experience, if you had to mention one particular thing that affects the unit owners, the board and the management, what would that be?

Mr Oakes: I wasn't quite ready for that one. Fairness is a critical consideration in all of our directors' meetings, the feeling that if somebody does something, accidentally or otherwise, that person should take responsibility for their actions. I think that wherever we can, we should be building those kinds of protections into the act to give the corporation perhaps the right to demand responsibility for their actions. The deductible issue is, I guess, one that might even fall into that category as well. I didn't deal with that because I knew it was being dealt with otherwise.

You move into a building. Everything's laid out before you in the disclosure statement and in the documents. You make an informed decision to buy in that building, whether it's an adult building, a no-pet building or a building that requires white drapes on the outside. You make these decisions, "That's the kind of building I want to live in." Then legislation is passed that changes all of this. But the adult-only issue is a huge issue in those three buildings, and if I didn't bring it up today, I'm sure they would have terminated my contract, they're so hot about it.

Mr Lessard: I just want to thank you for your presentation. If you want to continue on that train of thought, feel free.

Mr Oakes: I would like to answer Ms Ross's question to Jerry Hyman. We made written comments on every section in the white paper, and we gave that to the ministry staff. Then, when we had the stakeholder meetings, those meetings were dealing with fairly significant issues. We spent a whole afternoon talking about disclosure statements. We spent another whole afternoon talking about status certificates. But at no time was there a clause-by-clause review in those meetings, so a lot of the comments that we made didn't get incorporated, and we're just remaking them, because the focus was on major policy issues, turnover meetings and things like that. I think that's why you're seeing a lot of these housekeeping changes right now, which is rather late in the process I think, but at least you're getting them.

Mrs Ross: Thank you very much for your presentation. As you know, these consultations began in 1996. I just wanted to comment with respect to your comment on the first page about slowing down the process. I really don't know how much slower you can go. It's hard to believe it was a year ago that I actually spoke to your associations. I think we have come a long way and you commented on that as well.

I just wanted to say that the opposition are also wanting to move on this bill, and we did push to get a couple of days of hearings so that we could hear further comments from people such as yourself. I want you to know that we are listening, we are taking them into consideration.

Mr Oakes: That's encouraging. Please don't slow the process down. We've waited for years. We started this process with the NDP government and before that with the Liberal government, so it has been seven years of meeting with the ministry about changes. We're still plugging away.

Mr Ford: I just wanted to know your opinion on time limits, time limits on services — TV or maintenance of appliances and all this type of thing. You must have contracts with specific people servicing these things. What do you do with the members with TV contracts and all that type of thing? Do you have a time limit on these things?

Mr Oakes: In terms of the term of the agreement?

Mr Ford: The term limits.

Mr Oakes: The terms vary. We have three-year agreements, five- year agreements, seven-year agreements.

Mr Ford: I know some people have extended agreements and there seems to be no end to it.

Mr Oakes: There are two types of contracts. There's a rights contract in which the cable company owns the cable in the building, distributes the signals and collects individually from each owner. Then you have the bulk service agreement where the cable company just bills the condominium for the basic cable and perhaps the MeTV package, and there are a number of different packages that you can buy.

The discount that you get under a bulk service contract, as I said, ranges anywhere from 25% to 45% depending on the length of the contract. We have agreements with some of our suppliers for seven years at 45% and the corporation has the right to terminate those contracts at year 3 or year 5. If they do, the discounts would be lower and there would be a payout because of early termination.

We're finding the cable companies much more cooperative. I guess it's because it's more competitive, but we are making significant progress with the current suppliers on dealing with these long-term rights contracts even, and bulk service agreements. I know the CRTC is certainly looking into this issue and trying to write up regulations on how condominium corporations and rental buildings can finally own the cable in their building. They've given single-family homeowners that right, so they're going to be giving it to condominium corporations as well at some point in the future. I think that will be a huge step. I don't know whether you can do it; I haven't studied the communications section very carefully. I know

there was a committee that has made a presentation to you.

The Vice-Chair: Thank you very much, Mr Oakes, for coming here this afternoon.

Mr Oakes: My pleasure.

DELZOTTO, ZORZI

The Vice-Chair: I'm looking for representation from DelZotto, Zorzi.

Mr Harry Herskowitz: Thank you, Madam Chair, members of the committee. It's a pleasure to be here today. I heard John say that he got involved in the process when the NDP government was in power. I got involved in process when I had a lot more hair, when the Liberals were in power, and Monte Kwinter asked my client to get me involved and deal with new issues like vacant land and leasehold condominiums. I never thought I'd see the day when it was close to passing, and I'm just delighted that we're at the last lap, so to speak. I really want to commend your government for finally having a process that hears all sides and tries to balance both purchasers' concerns and developers' concerns and consumers at large.

The Vice-Chair: I'm sorry I must interrupt you because I wanted to ask you to introduce yourself for the purposes of Hansard.

Mr Herskowitz: My name is Harry Herskowitz. I'm a partner at DelZotto, Zorzi. I'm a member of the Canadian Bar Association of Ontario's committee that analyzed this act and has submitted a brief to the ministry. I wear a couple of hats. I also act as counsel to the Greater Toronto Home Builders' Association and was a member of the committee that submitted that long brief on behalf of the Greater Toronto Home Builders' Association, the Urban Development Institute and the Ontario Home Builders' Association.

Because the Canadian Bar Association has a lot of levels to get final approval before the paper and it didn't get in, I decided to simply take the part that I had prepared and give it to you today. I've also given you a copy of a recent issue of the condominium guide. The purpose of that is really illustrative.

1640

If I could respond to Mario Sergio's question to John — if he posed that to me, "What is the single most important issue in the condominium industry?" it would be certainty. It would be having a certain playing field where both parties know the rules of the game, devoid of unnecessary ambiguity, because it's ambiguity that gives room for litigation, with a lot of grief and aggravation on both sides of the fence.

One of the things I'm delighted about is that this act, after having gone through so many levels of consultation and open dialogue, under the stewardship of Mr Flaherty and then Lillian Ross, is pretty close to being a great piece of legislation. However, it does need fine tuning. As someone who has developed condominiums for over 19 years, primarily, if not exclusively, for many of the larger

developers in Ontario, and has developed condominiums from Sudbury to Sault Ste Marie to Niagara Falls to St Catharines to Toronto and Windsor, I have to emphasize that it's really important that the ambiguities in the legislation are resolved so that we can avoid litigation and an adverse decision where a judge might say to the condominium community, "Purchasers should not be faulted for looking every which way to get out of a deal because the market fell," and thankfully the court of appeal resolved that.

We want to avoid those types of debacles, because although we're in a steady market right now and we have a condominium magazine that has hundreds of advertisements, we could be at a recession right around the corner like we experienced in 1989 to 1995. No one can predict when it happens. But as sure as we're standing here, when the market goes bad, people will look for ways in contracts to get out of deals and they'll look for ways in the legislation for non-compliance. We can't allow them to have an easy attack at things that could be cleared up without too much difficulty. That's why I'm here today, because I would like to have a condominium guide that even in a recession has a lot of ads, because that means the legislation is good and people have confidence in the condominium product and not at any prejudice to consumers or purchasers.

So really today I'm only going to focus for two minutes or less on a couple of sections dealing with disclosure, because I know you've heard it ad nauseam from the builders' representatives and I don't want to belabour the point. It's really dealing with disclosure.

The latest round of legislation drafting introduced this concept of significant change, which I believe was well-intentioned and motivated but is poorly conceived in final form because there's not a definition of "significant change." The Court of Appeal has told the world in Ontario what a material change is and what purchasers are entitled to receive. They should know all of the significant features of the declaration, bylaws, rules and contracts that the condominium will be assuming so that they can make an informed decision whether to buy or not to buy, whether to exercise their 10-day cooling-off period or not. That's what the definition of material was all about in the *Abdool v Somerset* case. The introduction of another level, another tier called "significant change," without a definition, is simply going to create more ambiguity and a greater potential for litigation, because the next case will come around. If you have seven or eight little minor things that weren't disclosed that in and of themselves aren't material but collectively might be, does that mean that's significant, and if that's significant, does it mean that it's material?

To have two thresholds of materiality, or two thresholds of significance, one that has a rescission-of-the-contract remedy and the other that doesn't, is going to open the ability for purchasers' lawyers to find loopholes out of contracts and for lenders to feel uncomfortable about lending on a project. The first thing a lender says when they look to me is, "Herskowitz, I want you to

ensure me that we have 75% or 60% pre-sales, valid and binding and enforceable agreements.” Without that level of certainty, I can’t make that commitment to them and they won’t lend money. That’s really the source of the problem.

I believe that the Court of Appeal has adequately addressed this issue and that the legislation doesn’t need to create another area of uncertainty, because there haven’t been cries from the consumers’ side or the lobbyists for purchasers saying that the *Abdool v Somerset* decision did not resolve things. Since that case came down, there haven’t been any cases that I know of where developers have tried to exploit purchasers, have been accused of exploiting purchasers, or where purchasers didn’t know what they were getting into when they bought, except for one case where the developer deserved to lose and that was a case where he offered purchasers some recreational amenities as part of a hotel complex in the Muskoka region and they weren’t sure what they were getting, and when you looked at that the disclosure statement, you couldn’t tell.

It’s clear that the Court of Appeal has resolved that for 99.9% of the cases. This act codifies “materiality” in a proper way, and I don’t believe that the introduction of the significant change concept will do anything but create more uncertainty, more confusion, more discomfort and definitely more litigation. I don’t think lawyers are everybody’s best friend, but it will create more litigation work for lawyers and I don’t know whether that’s a positive attribute or not.

The only other things I want to talk about really are two minor sub-sections. They’re minor, but they pack a big wallop and they’re in 73(l) and 73(m). You’ll find that discussion on page 4 of my brief.

Among other things to be disclosed, the proposed legislation requires the declarant to provide to purchasers copies of the declaration, bylaws, rules, insurance trust agreement, if any and all other agreements that apply to the property. Those words “all other agreements” are so broad and so extensive in scope that we don’t know what it means. If you mean service contracts on a continuing basis to condominiums, contracts where obligations are imposed on the condominium corporation where they have to pay money on an ongoing basis, then that’s fine, they should be disclosed, but I submit to you that those are the types of contracts that are already characterized in sections 113 and section 114 of the legislation.

What we’re proposing is that clause (l) be modified so that a declarant is obliged to provide copies of the declaration, bylaws, rules, management agreement — because every condominium has a management agreement today — and the insurance trust agreement. Then in (m), they should provide a brief description of servicing contracts in 113 and reciprocal agreements or mutual easement and cost-sharing agreements in 114 if those agreements are not available.

In other words, if I provide Mr Gilchrist with copies of these agreements and a one-page summary of the types of units, the number of units and whatever recreational

facilities and amenities this condominium has the benefit of, which are included in the previous subsections of the act, isn’t that all you need? Do I really have to summarize a 50-page cost-sharing agreement or a 30-page bylaw or a 10-page declaration? You can see it.

If the purpose of disclosure is so that you make an informed decision and 10 days isn’t enough, then increase it to 15 days so that your lawyer will have enough time to look at it, but don’t set a trap for the declarant’s counsel to have to try to figure out, what are the significant features of this 20-page document that your lawyer can read? In no other instance in commercial contracts is there a 10-day cooling-off period. You don’t have it in freehold homes, you don’t have it when you buy furniture, you don’t have it when you buy appliances; only in condominiums do you have a 10-day cooling-off period, and now we’re codifying when the 10 days start.

I’m submitting to you that the goal is to make sure that every purchaser is an informed consumer, just like the ad, “An educated consumer is our best customer.” That’s what developers want too, but let’s not obfuscate disclosure by having every single agreement that applies to the property disclosed, because I don’t know what that means.

1650

Your definition in your mind may be different than mine, because it’s not codified, but clearly we all know what it is. We can all conceive it to be service types of contracts on a continuing basis, agreements where financial obligations are imposed on that condominium, things that affect unit owners’ use, enjoyment or cost, and those are the agreements that are referred to in 113 and 114 already. What we’re trying to do is suggest that you amend clause (l), eliminate the reference to “all other agreements,” but mandate the inclusion of the management agreement, and revise clause (m) so that you either give people copies of those agreements, if they’re in final form, or if they’re not available in final form, then a brief narrative description of the significant features. That way people know what they’re getting into if in fact those agreements aren’t available.

I’ll give you one simple example. A client of mine, Tridel, is doing a joint venture with the city of Toronto, and part of the development requires an underground parking garage conversion with a city parking area. We don’t have the agreements with the city of Toronto, yet everything else has been approved; all the plans and specifications are ready to go. Should we hold off on the marketplace until that agreement is finalized with the city, which may take six months or nine months? I don’t believe we should.

What’s important is that I disclose to purchasers the significant features of that proposed cost-sharing agreement, what its impact will be financially on the condo corporation and ultimately on each of the unit purchasers, ensuring that that cost is included in the budget statement, and talk about any other restrictions on use of or access to the parking garage. That’s what’s needed.

This is an example of the type of ambiguity in clause (1) that has to be avoided, because if we allow that ambiguity to exist, it's simply going to give rise to litigation.

That's my submission. I'm ready to take any questions, whether it's on what I've talked about or the CBAO brief, other people who spoke earlier or, in particular, the builders' brief that was discussed at the last committee hearing.

The Vice-Chair: Thank you very much. We'll begin with Mr Martin.

Mr Tony Martin (Sault Ste Marie): I certainly heard what you had to say and I find it useful. You've participated, obviously, in this discussion over the last number of —

Mr Herskowitz: Twelve years.

Mr Martin: Yes. What was brought before us, it seems to me, or how it was explained to me by the ministry when I was briefed on it, was an agreement of sorts that this is what needed to happen in order to balance the various concerns and interests of the groups that were around the table.

Mr Herskowitz: Yes.

Mr Martin: In the short time that I've been able to be at committee here and also from talking to a couple of the groups that had a very clear interest in making sure that this became the law, the issue of disclosure was really important.

Mr Herskowitz: It's the most fundamental. It's fundamental to purchasers so they know exactly what they're getting into so they're not misled, but it's fundamental to developers because failure to disclose in compliance with the act creates a voidable contract. All of the things that you plan on — your financing, your profit, the commitments you make to third parties — is all predicated on having binding agreements. Even if you won the lottery, no one builds without having agreements of purchase and sale to bank on, because you don't know whether people will buy your product. So disclosure is critical to both sides of the equation.

The issue is, we have to strike a balance. There are some new disclosure items that have been added in this legislation which by and large the development community will live with and can accept. But we can't accept ambiguity. When you say I have to disclose all other agreements that pertain to the property, I don't know what that means. Do you? I think I know what you mean, but if I'm wrong, if I guess wrong, the result is that all of those contracts in that entire project are voidable at the instance of those purchasers.

We had a situation several years ago when the *Abdool v. Somerset* case went before the Court of Appeal. It was at a time — you may have heard about the Palace Pier — when all of these purchasers balked at closing, so you had an entire project paralyzed waiting for this decision. The Court of Appeal had to deal with the issue of whether there was adequate disclosure of relevant information to purchasers. The purchasers' counsel who were attacking the adequacy of the disclosure were saying that the rules weren't fully described in a significant narrative brief. The

rules were attached, but they weren't described as part of the disclosure statement. That's just one example. There are others.

The Court of Appeal said, "Listen, what's important is, on an objective standard, does the purchaser have a reasonably informed decision of what he or she is getting into so they know whether they should resile from the contract and exercise their rescission rights?" If you don't know what you're getting into, you won't know whether you should exercise your 10-day cooling-off period. It's useless.

It basically set the standard very high, Mr Martin. The Court of Appeal set that standard high, and intentionally high, so that people don't try to squirm out of contracts validly entered into, so that they have bona fide motives in trying to get out of a contract, ie, failure to disclose significant material issues. The definition of materiality has already been laid down by the Court of Appeal, and the one that's codified now matches that pretty well, so we're not going to have any problems with that. It's the introduction of "significant," because what is significant to you is subjective.

For example, if you didn't change your contract and you knew that I was spending \$1 million on a rec centre and I was going to have a lap pool as part of my recreational facilities, and you decided, "I want a plunge pool; I don't want to do laps" — if because the market says, "We don't want a lap pool; we want a plunge pool," I decide to change that facility, is that a material change? Would you have made your purchase decision solely on that? You may have, but if you did, you would have gone to your lawyer and said, "Hey, I want to make sure that they warrant that there will be a lap pool." That way I as a developer and a developer's counsel will know what I'm into as far as commitments to you. In the absence of a specific contractual requirement, I would say, "No. Changing the lap pool to a plunge pool when I'm still spending \$1 million is not a material change," because overall you're still getting the same unit, the same space, the same view, the same amenities, the same accoutrements to the unit and the building. I'm just changing one facility from one to another.

The Chair: Mr Herskowitz, if you could summarize, I think there are other parties that will ask questions and perhaps you can elaborate at that time. I apologize for interrupting.

I would ask if there are questions or responses from the government side. Mrs Ross.

Mrs Ross: Thank you very much for your presentation. You've been involved in discussions since we've been in government, since 1996. Throughout that process, all the way along, I believe we've tried to keep you informed as to the direction that we're headed.

Mr Herskowitz: Absolutely.

Mrs Ross: I just wanted to ask you a question. The previous presenter said that the most important thing to him was fairness, and you've said the most important thing to you is certainty. This piece of legislation is a piece in which we're trying to provide a balance to

everyone involved in the industry. You've said already that you believe it goes a long way towards that.

I wanted to ask you about "significant change." Do you think that if you left in "material change" and forgot about "significant change," that would solve the problem?

Mr Herskowitz: I think it does, because I personally don't think there's a problem that exists right now in the marketplace since the *Abdool v. Somerset* decision was rendered several years ago. We know that materiality is going to be an objective standard, not a subjective one, and it has to be what a reasonable person in Ontario would think is material to their purchase decision to decide whether or not to stay in the deal. That's really what the Court of Appeal said; that's what the statute has codified.

We've also increased the level of disclosure from the current act. There are more things that we will be disclosing than we were in the past. That's a good thing, not a bad thing. Developers aren't objecting to those.

But where those subsections create ambiguity — for example, there's another section, a statement setting out the benefits that any condominium corporation confers on others. That's ambiguous because if, for example, you're in a multi-phase condominium and in the first phase is sort of front-end-loaded the cost of the rec facility, is that a benefit that is conferring on to the future phase? We're not sure. Language like that has to be fine-tuned. But I think this legislation has struck a good balance. I think it has gone a long way for fairness, a long way for certainty, but I don't think it's crossed the finish line yet.

That's why the various committees have submitted briefs. I think the builders' brief and the Canadian Bar Association's brief are really not talking about wholesale changes in policy. We're simply talking about fine-tuning the wording.

1700

Mrs Ross: I wanted to say that the purpose of this hearing as well is to get some further input on what sort of things are missing in the bill. I want to thank you very much for your knowledge and expertise.

Mr Herskowitz: Thank you.

Mr Sergio: Sir, you are eminent in condominium expertise in every field. Another lawyer, I may say.

We had another lawyer before you, Mr Herskowitz, and he was speaking on behalf of the Canadian Condominium Institute, the Ottawa chapter. He brought three particular concerns, but one, he said, he really had problems with. It's something that we were debating here before. It is with respect to the master insurance policy of the corporation; no-fault insurance, if you will. He did mention to us that there are some corporations facing a \$5,000, \$10,000, \$20,000 or \$25,000 deductible, versus an individual unit owner, who, if he were to obtain that insurance deductible it would pay much less. He was very, very strong on that particular point. Section 106, the way it is written now, according to him, eliminates that flexibility.

You, as an expert, have put on a very eloquent presentation, as usual. I would like to have your views, for

the benefit of the members of the committee here, on section 106 of Bill 38. I would like to hear your expert views on these issues, since the corporation finds it difficult to obtain, apparently, reasonable insurance with reasonable deductibles when it comes to damage caused to a unit from the common elements.

Mr Herskowitz: If I can, I want to answer it in two stages.

In the first stage, we have to define what is the goal. If we want to deter negligent, careless, reckless behaviour, then we shouldn't allow unit owners to carry on activity that is detrimental to the condominium without any negative result; ie, they should be paying the deductible. If I leave the water running in my bathtub and I cause damage, even though that damage is covered by the master insurance, I should be responsible for paying the deductible. Vis-à-vis the party who caused the damage in the condo corporation, I think the condominium should be rendered harmless. If that means that the unit owner should carry an extra rider on their unit owner's policy to cover the deductible, because it may be \$5,000 or \$10,000, then so be it. I think the proper way is to shift the loss on to the party who caused the damage, because otherwise all of the unit owners have to pay for the negligence of that unit owner.

As far as damage to the party downstairs — let's say you leave the water running and I'm downstairs and my unit is damaged — if you're out of the picture, you're bankrupt or whatever, and so there's no recourse against your insurance or you don't carry insurance, then it's between the condominium corporation and the innocent-party-harmed unit owner, and I believe the condominium corporation should pay the deductible. That's one of the reasons why people live in a condominium, so that things like that are covered. Whether the legislation addresses that or not, to me it's clear that that part of the deductible that is not covered by the unit owner's insurance is going to be a common expense.

We have to decide what the policy is. Is the policy to have the condominium corporation bear all costs regardless so that it's no-fault insurance when you move in? I think there was a decision that came down just a month or so ago called *Simcoe Condominium Corp 60 v. Stevens* where the Court of Appeal — it was either the Court of Appeal or the Divisional Court; I believe Divisional Court — overturned the decision by Madam Justice Eberhard, where the Divisional Court said, "In this particular instance, on the facts of this case, where a unit owner was negligent and caused the damage, the unit owner should pay for the deductible, notwithstanding the fact that there's a mandatory obligation on the condominium corporation to obtain and maintain this master insurance."

The Chair: Thank you very much. We've run considerably over on your presentation because of its interest to the members. I appreciate your presentation to the committee today.

Mr Sergio: We should demand that he comes back one more time.

The Chair: We've had some repeat presentations, but other presenters are free to address section 106 as well.

CANADIAN CABLE TELEVISION ASSOCIATION

The Chair: At this point in time I think we'll take a couple of minutes just to sort of clean the table off there, if the Canadian Cable Television Association would be prepared to come forward and introduce yourselves. You have 20 minutes in total. That time can be divided as you see fit.

Interjection.

The Chair: No, we're not taking a break. We're actually running behind. We're going to motor right along here.

I appreciate your patience. You have 20 minutes to use as you wish. If you could introduce yourselves, the Hansard recorder will have that on record.

Mr Roy O'Brien: Thank you, Mr Chair. I am here as executive director, Ontario region, of the Canadian Cable Television Association. With me are Morry Brown, director of marketing for Northern Cable; Ken Engelhart, vice-president, regulatory law at Rogers Communications; and Peter Nielsen, director of government and industry relations at Shaw Communications.

Ontario cable operators deliver television and Internet access to just over 3 million subscriber households across the province. Of these, approximately 150,000 are in condominium buildings.

Let me begin by stating the support of the cable industry for Bill 38. In general, we believe it to be a balanced, well-thought-out and certainly much-needed overhaul of Ontario's condominium legislation.

At the same time, we wish to draw the committee's attention to subsections 22(5) and (6), which deal with a relatively new phenomenon in the communications industry which is called a communications control unit, or CCU.

I would like to take this time to ask Ken Engelhart to review the diagram that was distributed to you earlier.

Mr Ken Engelhart: In order to understand the particular section of the legislation, it's helpful to understand how the wiring in a building for cable TV or telephone service works. The diagram that's been circulated to you is a schematic which in a fairly simple way shows how telephone and cable wiring goes into a building. Simply, the wire goes down the street, sometimes on poles, sometimes underground, and usually outside the building it goes into one of those green boxes, which is the cable pedestal that you'll see on this picture. Typically, it goes underground. It goes into the building through a conduit, which is sometimes called an entrance facility. The wire goes into the basement, and once it's in the basement, it goes into a panel room, as you see there, also sometimes called a meter room. That's just a room in the basement that has all the wires terminating on different panels.

From there, the wire goes up through the building through ducts that are drilled through the concrete floor of

the building. On each floor, or sometimes every second floor, those wires go into a closet, a telephone closet or a cable closet, and again they go into panels. Then the wires come out of those panels, go down the hall, sometimes under the floorboards, sometimes in the ceiling, and they go into the individual suites to the telephones or to the TV sets.

You see that picture here. Essentially, everything that's in red on that picture shows how wiring gets into the building to power up your TV and to bring you television signals. The same thing is true of telephones.

The same thing if the building decides they want a satellite provider instead of a cable provider. You see the satellite dish on the roof, and the whole process essentially works in reverse. Again, the satellite wire goes down through those ducts and into the closets and then into the suites.

1710

Recently, we find the phenomenon of certain developers declaring all of those things, all of those parts in red, to be a condominium unit. They sell themselves a unit in the building which doesn't include suites, doesn't include the normal things that a unit would. It consists of all of those rooms, panels etc that are used to deliver telecommunications infrastructure. The term that's been used in the industry is the CCU, the communications control unit. It's that phenomenon, the developer taking those things out of the common elements where they historically have been and granting them to themselves in a unit, which creates the issue that we're here to talk to you about today.

Mr O'Brien: Before the CRTC opened the industry to competition, CCUs were not an issue. That's because there was no consumer choice, so the only access issue was whether the developer would allow or would not allow cable into the building. Needless to say, that wasn't much of an issue. But with the advent of competition in the past couple of years, the situation has changed. In a contested market, distribution channels are valuable. So what has happened is that some developers have (1) retained control of this means of access; (2) begun packaging it into a sellable unit they call a CCU; and (3) begun charging cable companies and our competitors for the privilege of putting our cables through the CCU.

There may be no reason why the government of Ontario should care who makes or loses some money between the cable companies and the development industry, but that's not the story. The issue here is that the advent of competition is supposed to bring benefits to the consumer, and the practice of charging for CCU access takes those benefits away from the consumer. Competition was supposed to bring choice to the consumer, but under the bill, choice will not rest with the consumers or the condo boards that represent them. It will lie with the developers. That doesn't make sense.

Competition was supposed to bring downward price pressure to consumers. Under this bill, developers will be able to skim the benefits of cable competition for themselves. Unitholders will not obtain the benefits.

Indeed, depending on how much the developer charges for CCU access, unitholders could be paying even more than others for telecommunication services.

It is for this reason that the CCTA is recommending that the committee amend subsections 22(5) and 22(6) so that access to the CCU cannot be granted by the developer on an exclusive basis. Instead, power over the CCU would rest where it belongs, with the true consumers for whom competition was put in place, the boards of unitholders.

This is not a matter of taking away from the development industry. The unitization and sale of CCU access has only just begun in Ontario. The committee has a choice: to leave the legislation unamended and divert the benefits of competition from the consumers to the developers, or to amend it so that choice and downward price pressure go to those who need them most, the individual consumers. We would therefore urge the committee to consider amending Bill 38 in the manner we have suggested.

We would now be delighted to answer any questions.

The Chair: Thank you very much for your presentation. It was a unique one. We have just under three minutes for each caucus. I'd start with the government caucus at this time.

Mrs Ross: Thank you for this picture. They say a picture is worth a thousand words, but it's still a complex issue to me. I'm not a technical whiz. If you'll just bear with me for a moment, as you look at this photograph and as you see the lines come up here and you see the darker red boxes, is that where you're saying there would be a separate unit on each one of those floors?

Mr Engelhart: The whole thing is a separate unit. The wire that comes in off the street, the conduits that go into the building, the phone room in the basement, the ducts that rise up through the building, the closets on each floor and sometimes the roof, all of those diverse bits and pieces of the building — we have seen this recent phenomenon — have collectively been converted into one unit which is then sold to the developer.

Mrs Ross: The changes that you've proposed here, how would they benefit me if I were a condominium owner?

Mr Engelhart: If you're a condominium owner, what you want to do is either get your condominium board to allow two suppliers into the building so they'll fight it out for your business and compete on price, or you want all of the providers of service to come to the condominium board, give their pitch, and whoever has the best deal gets picked. In either one of those two ways — some boards do it one way, some do it the other way — you will get a good deal. You will get better service, better prices, all the things that competitive tendering brings. But without our proposal, that decision gets taken away from the condominium board because it's the developer that controls access. They control the entire link between the wiring infrastructure in the city and the television set or the telephone. There's no practical way to get to those without going through that CCU. Long after the unit has been sold to you the developer will continue to own that CCU.

Mr Peter Nielsen: I'd like just to add to the answer to that. I believe this legislation is addressing one of the issues that condominium owners have been talking about for years and that is the perpetuation of the existing service contracts that developers entered into with a variety of different service providers. There's been a lot of talk, I believe, over the years that the people who buy into the condominium development should not be saddled with, stuck with, a service contract that's been entered into by a developer and a service provider.

Yet what's happening here is, the developer is going to be able to be the gatekeeper for telecommunications services in perpetuity in these buildings because they will have controlled the key area within the structure that's been built in to accommodate the placement, the maintenance, the operation of all that wiring infrastructure. Even though there could be limitations on the duration of a contract between the service provider, be it the telephone or cable television or Internet, the end result is that the original developer will have, in perpetuity, control over that whole arrangement.

The Chair: Thanks. That's very clear. Mr Sergio please.

Mr Sergio: Thank you for coming down and just shedding some light on this. We had similar concerns from a presenter some time this morning and dealt with the fact that the original builder or developer was still in control of the majority of the units. What you're saying here now is that while the building is being built, the developer enters into an agreement with a particular company and that agreement is in perpetuity, that it's even before the condominium's been registered or something like that. Are you suggesting that perhaps the committee and the government should look at, once the condominium corporation is formed and the owners take over, that agreement being subject to the approval of the new board, the new owners?

Mr Nielsen: Yes, I think what we're saying is that CCU, if there needs to be such a term, should be in the hands of the people who own the building. Why should it be in the hands of somebody else? They've built the building at considerable expense, they've sold the units, they've made their profit, they're walking away. Why are they allowed to retain ownership of a created unit that should belong in the hands of the people who are unit holders?

Mr Sergio: This brings me, if I have time, to another important aspect that we have heard from lawyers here, disclosure. Wouldn't this be one of the disclosed, if you will, amenities in the declaration?

Mr Nielsen: I think you're right. The thing is, I doubt that there's going to be something as clear as this — which still requires explanation, "registered on title" — so that when even a skilful and experienced real estate lawyer is searching the declaration, will they really be able to identify what is going on when they come across whatever wording is there that identifies a CCU? I would suggest that it took us in the industry a long enough time to figure out that we'd better put a diagram together so we don't spend an hour trying to explain what a CCU is.

The Chair: I appreciate that.

1720

Mr Martin: I find it somewhat strange that this would be the case. I would assume that once you turn the property over, everything then belongs to — maybe you can help me understand why this would have been allowed to happen in the first place.

Mr Englehart: Quite frankly, it's a loophole. We've got the condominium legislation very clear that the condo board controls the common elements. Then what we have here is something which most people would think of as part of the common elements taken out of the common elements and turned into a unit. It's a loophole because once it's a unit, it's not a common element and that's why we think the legislation needs to clearly say that that type of unit should grant an easement to the condo board so that they can control it.

Mr Martin: Are there any other such examples of units like this?

Mr Nielsen: Not that we're aware of. In fact there's not a large number of these. There's certainly not a preponderance of CCUs in condominium buildings that our industry services in Ontario or in Canada. I think what we're seeing, though, with the advent of competition, is that some developers are saying: "Now, wait a minute. There's going to be some haggling going on here; there are going to be people vying for access to buildings. There may be people wanting to pay for access to buildings. Let's control the access corridor and make some money."

The Chair: Thank you very much for your presentation. Quite a unique perspective from the others, that have been fairly consistent.

LEOR MARGULIES
ALAN DEAN

The Chair: At this point I would call the deputation from Robins Appleby and Taub. Could you come forward and introduce yourselves for the Hansard record? You have 20 minutes to use as you see fit.

Mr Leor Margulies: My name is Leor Margulies. I'm with the law firm of Robins Appleby and Taub. On my right is Alan Dean, who's with the law firm of Smith Lyons. We represent a group of nine financial institutions in the country, four of the five major banks and five of the other lenders operating in Ontario and elsewhere, and we've listed that in our paper.

We have reviewed the legislation from a view of the construction-lending perspective. As you know, developers build, but they only build with financing and it's very important for the lending community to be comfortable with the changes to the Condominium Act in terms of their ability to fund these projects. We welcome the new act. It was time for a new change, and for the most part we're comfortable with the increased disclosure requirements and the many other changes. However, the two watchwords that I've heard here earlier are paramount in our presentation and that's "certainty" and "fairness."

The construction-lending community finances primarily based on the ability to get repaid at the end of the day. That ability to get repaid at the end of the day comes from the sales that will be in place. No conventional lenders will lend against the project unless there's a certain number of pre-sales that would be enough to basically take out their loan, and normally the lending can be somewhere between 60% and 80% of the construction and acquisition costs.

The lenders will look very closely at the construction budgets to ensure that there's a cost in place that will match the funding, and also at the pre-sales that are in place so that there's some assurance that at the end of the day they will not end up with a building that they will have to sell themselves to get repaid. Again, it's a construction loan. It's a short-term facility of 18 to 24 months.

What we've looked at primarily in terms of the act are the disclosure and recision requirements, to see how that impacts from a lending perspective. To the extent that we have concerns that the pre-sales upon which the lenders will be relying are jeopardized, how that will impact on the lending community is that they may require additional equity before they will fund. They may require additional pre-sales.

Right now, anywhere from 50% to 70% is enough to take out the loan, but if there's a real concern that those pre-sales are not real, that because of the increased disclosure requirements and loopholes or inadvertent errors that a developer may make — remember, it's the developer who's preparing these documents, not the lender — they may have additional exposure. They may increase those requirements to 70%, 80% or 90%. We don't want to have that happen. As well, they may require additional equity from the board to support their position.

These are all things that we don't want to have happen because in those circumstances it'll be harder to build, more expensive to build and also more time-consuming to build, and that impacts on everybody in the stream, the developer as well as the consumer, because there will be less product, a higher cost and also a longer time frame. That's something that's problematic in the system that we can't eliminate, but we don't want to have it expanded. Right now when a buyer buys a building, buys a unit, he has to wait maybe two years. He's buying a pig in a poke, so you want to have full disclosure, telling him exactly what he's buying.

If the pre-sale requirements are increased to cover off the perceived risk, instead of it being 18 to 24 months, it may be longer, because what will happen is, construction will not commence until enough pre-sales are in place. So if you increase the pre-sales, you then increase the time frame in which to build, which is no good.

What we've looked at again is, are there things in the act that we can go back to our clients to tell them that it works or that they should be concerned about? We have some concerns. I think you all have our paper in front of you. We've looked at it actually from a broad perspective. We've made some recommendations for consumers as

well in there. You'll see that one of our recommendations is to create disclosure requirements for the agreement of purchase and sale in terms of adjustments. We feel that there isn't sufficient disclosure. We've tried to come up with a package that really will make the system work because at the end of the day we want our purchasers to close and be happy with what they're buying.

We have a limited time frame. We're not going to go through all the points. I don't think a lot of them — as you read through them and as we've discussed them with ministry officials — are controversial. I think they better the act from everybody's perspective, but there are four key areas that we want to focus in on. I will be dealing with some of them and Alan will be dealing with some of the others. If we have time, we'll go through the rest.

The four key ones are our submissions on the significant change issue, which you've heard before; the other agreements issue; the concept of the information statement; and then the fourth one, which may seem the most radical but really focuses on fairness, is our suggestion for the non-material omission clause which creates some balance in the act, balances out the fact that we now have significantly greater disclosure requirements.

Mr Alan Dean: Mr Chairman and members of the committee, thank you for having us here today. You've had a long day, so I'm not going to be lengthy with this.

I'd like to just highlight from our paper the concerns we have about this information statement requirement. It doesn't appear to add any additional information. It appears that it's supposed to be some sort of an index or a summary of materials that are contained in the disclosure materials for purchasers, but our concern, as we say in the paper, is that it creates an additional legal requirement to be satisfied by developers which has to be reviewed by their lawyers and by the lenders and the lenders' lawyers to ensure compliance with the legislation.

We're saying that you're going to have two sets of documentation relating to disclosure by way of this disclosure information statement. It just increases the potential for omission and inconsistency and we think that is not a good position. It leads to uncertainty both for the developer and for the consumer. We would suggest that the requirement for this information statement be disregarded and deleted from the act in its final form.

The other point — and this I think was probably discussed at some length by Harry Herskowitz earlier, because we came in at the end of his presentation — is this requirement to provide copies of all other agreements relating to the property as part of the disclosure materials. Frankly, unless some parameters are put on that, you get into a ridiculously long possible list of what they may be. They could include the loan agreements, all the security documents for the construction loan, which probably are of no interest at all to the purchaser. It could include copies of all the other agreements of purchase and sale for the property. I don't think it was ever intended to do that.

I think the balance needs to be struck with agreements which will be binding on the condominium corporation and the owners of the condominium once the project has

been finished and sold, obligations that they have to pay for, things that could affect the amenities or the use of the building. I'm sure that was really the intent, but unless that language is coopered up somehow, we're stuck with an open end and, again, uncertainty and we're not quite sure where we go with that.

I think, Leor, you're on the next point here.

1730

Mr Margulies: This point relates to our suggestion for a new concept in the act — it's on page 4, paragraph 4.a of our paper — and that's what we call the concept of non-material omissions.

Right now the act deals with material changes. If there's a material change to the disclosure statement that's going to affect a purchaser's decision, the right to rescission is revived. However, there's nothing in the act, and there was nothing in the old act either, that dealt with the situation where there was a non-material omission in terms of the requirements for disclosure. So under the old act and under the new act, if you miss one thing that's required under the act in terms of disclosure, one agreement, or you make one mistake, you haven't complied with the disclosure statement; therefore the agreement of purchase and sale is not binding. It's not voidable, as Harry said; it's void.

The purchaser can say: "I haven't received the disclosure statement that's required by the act. I don't have to close." We may not find out about this problem until the market downturns and prices have dropped and people are trying to walk away from their deals. I don't think that's the intention. It certainly shouldn't be the intention of providing protection to purchasers. The protection should be there to ensure that there's full disclosure, that they have all the information, but if there's some non-material, inadvertent mistake or omission, that shouldn't suddenly allow the purchaser to walk away from this deal.

Under the old act that right wasn't there; I acknowledge that. But also under the old act the disclosure requirements were fairly general. Other than some specific, basic items, they were fairly broad. Under the *Abdool* case, you would look at whether you broadly complied with them or broadly materially changed them. But now you've gone ahead and — we're not arguing with giving more specific guidelines as to what has to be disclosed — you've expanded it significantly. We accept that; that's fair. In fact, some of the bankers I asked, "What do you think of this act?" said: "I think that's fair. If a guy's buying a pig in a poke he should know everything." I said, "That's fine, but what if we make a mistake, we miss one little agreement, we get some date wrong, where a purchaser can then say, 'You didn't comply with this'?"

On the basis of the current legislation there's certainly more room for making that error because the bar has now been lifted much higher. If you're going to lift the bar higher, you have to create the fairness on the other side and say if the disclosure statement — I've suggested language which really mirrors the language you have for material change. I'll leave it for the draftsmen, but we

tried to track it exactly, such that it wouldn't impact on a purchaser's decision. If he knew about this agreement or he didn't know about it, it wouldn't matter a hill of beans; then he shouldn't be allowed to walk away.

Quite frankly, this is what concerns me most in terms of advising lenders. We can't tell with certainty — we could never tell before, but before you could look at the plans and you knew there was very little room for omission. Now there's a lot of room for omission and we can never advise our clients that yes, everything complies, because we don't know all the plans and specs. Maybe there's something the developer knows that he forgot to tell us, forgot to tell anybody about.

I would ask you seriously, of all the recommendations, this one certainly creates a balance in the act. We accept the concept of disclosure. Make it as full as you want and as broad as you want, but don't suddenly allow technicalities to allow purchasers to walk away from deals where it's not fair. That isn't fair either. If we're talking about fairness, I would really ask you to look at that, because with that type of clause, in some fashion it means that basically purchasers have to close if you've given them what they bargained for. That's all we can ask for.

The Chair: We've got about three minutes left, if you could use your time however you wish.

Mr Dean: We'll just make one last point. This is on the concept of "significant change" which has been introduced in the disclosure section and is not a defined term. I think we've gone a long way and we're lucky now that the Court of Appeal has spoken with a lot of authority on what a material change is. In fact we think the definition of "material change" in the bill is really nothing more than a codification of what the Court of Appeal had to say, so we all know what that means now. We know what a material change is, but suddenly we find this concept of "significant change" and it's not defined. There doesn't appear to be any remedy provided if it's not complied with. Again, we've gone from a situation which became very clear through the courts, has been confirmed by the bill and then we seem to have muddied the waters yet again.

We gave a number of reasons in our paper why we think it should come out. We understand there is a move afoot that it won't appear next time, and I think it would do a real disservice to everyone if it carries on. We hope we don't see it next time.

The Chair: You've brought a number of important points to the attention of the committee. The time has been exhausted. I appreciate your presentation today. Thank you very much.

That will conclude the presentations for today, but I would request the presence of the permanent members of the committee, as we want to conduct some other business.

SUBCOMMITTEE REPORT

The Chair: I would like to reconvene the general government committee. At this point, the business on the order is Bill 55. I'm looking for a motion. Mrs Munro.

Mrs Munro: I move that we accept the report of the subcommittee as follows:

"The subcommittee met on Tuesday, October 27, 1998, and agreed to the following:

"1. That French and English advertisements will be placed on the Ontario Legislative channel and on the committee's Web page. An English advertisement will also be placed once in the Windsor Star and the Sudbury Star.

"2. That each party may submit a list of potential witnesses, to the clerk or the Chair, by Monday, November 9, 1998, at 4 pm. These party lists, together with any names the clerk has received, will be distributed to the subcommittee members as soon as possible. On Tuesday, November 10 at 4 pm each party will deliver to the clerk a priority list of proposed deputants selected from the list provided by the clerk the previous day. These priority lists provided by each party will indicate which witnesses are to be scheduled for which city. The clerk will only schedule from these priority lists.

"3. That if there are empty spots on the agenda, the Chair may accept additional selections from the subcommittee members in order to fill these vacancies.

"4. That each witness will have 20 to 30 minutes in which to make their presentation and to answer questions from the committee members. The Chair, in consultation with the clerk, will determine the exact amount of time provided to each witness.

"5. That November 9, 1998, at 4 pm will be the cut-off time for people to contact the committee clerk to request an opportunity to appear before the committee. Written submissions must be received by the last day of public hearings.

"6. That the Minister of Education and Training will be invited to make a 30-minute presentation to the committee. Following this presentation each party will have 15 minutes in which to make statements.

"7. That ministry staff be present at all committee hearings in order to answer questions from the members.

"8. That the committee will hold four days of public hearings. The committee will spend one full day in each of the following cities: Toronto, Sudbury and Ottawa. Furthermore, the committee will divide one single day in order to hold hearings in both Hamilton and Windsor.

"9. That the expenses incurred by a witness will not be reimbursed unless the subcommittee approves the request.

"10. That the Legislative research officer will prepare a summary of recommendations. This summary will be distributed to the committee by November 23 at 4 pm.

"11. That amendments are due November 24, 1998, at 5 pm.

"12. That the clause-by-clause process will take place on November 25 and, if necessary, November 26.

"13. That there will not be any opening statements before the commencement of the clause-by-clause process.

"14. That the Chair will begin each meeting once all parties are represented or after a reasonable amount of time has passed.

"15. That the Chair, in consultation with the clerk, will make any other decisions necessary to facilitate these committee hearings."

The Chair: Thank you for that motion. At this point, I would ask the various parties if they want to make a comment with respect to the subcommittee report. Mr Caplan, do you have any comments?

Mr David Caplan (Oriole): The subcommittee report is in order with what we agreed to as a consensus.

Mr Lessard: I think this accurately reflects what we discussed.

1740

Mr Gilchrist: I wonder if I could perhaps get the acquiescence of the other two parties, because it may be implied but it's not stated in number 9.

We've had some bad experiences in the past where people came to us after the fact and tried to browbeat us. Normally in 9, we would put "approves the request in advance," if that meets with your approval. If somebody has to travel to attend, all that we're asking is that they notify the clerk, and the clerk would then ask the subcommittee to approve that before the person actually incurs those costs. It's also fair to them because if they incurred the cost hoping we would reimburse them and the subcommittee decides not to, then they're obviously left high and dry.

Mr Lessard: I guess if we were having advertising around the province and we expressed that to people, that they had to make that request, then it would make sense, but otherwise people aren't going to know that this is a request they would be able to make or even consider making until they came to the committee. If it would make you feel better, if it's the whole committee that approves the request, I don't have any objection to having that changed.

Mr Gilchrist: That's fine.

Mr Lessard: Perhaps your concern —

Mr Gilchrist: We've actually had problems in the past, Mr Lessard, where we did not advertise that it was an option. Someone did come, presuming for whatever reason, maybe it had been done in the past by some other group they'd spoken to, maybe by the federal committee, I don't know — we've had cases where someone had already spent the money and then turned to us and said, "Oh, by the way, I expect to be reimbursed," and I don't think that's fair to either party.

The Chair: The clerk advised me it is highly unusual that that occurs here. I think between myself and the clerk we can certainly deal with it. I don't think it's come up that frequently according to the clerk.

Mr Gilchrist: OK.

The Chair: Our destinations are really addressed in the geographical issues.

Mr Gilchrist: That leads me to my second point. My apologies. Not being at that meeting, I certainly don't know the ebb and flow of the discussion, but having been on committees on two occasions that have tried to split their time between quite distant cities, I'm troubled by number 8, the third sentence. I wonder if it would make

more sense to split the difference and to have the subcommittee meet for the entire day in the city of London. It would seem to me that would allow people to drive one hour in each direction instead of uprooting the whole committee. In fact it's not us, it's the technical aspects of Hansard and the recording.

Alternatively, if there's one or the other city that the opposition parties feel more strongly they would like to have hearings in, then it would seem to me someone in Hamilton could quite conveniently come to Toronto, whereas it's not all that convenient for someone else in southwestern Ontario to drive all the way to Hamilton. I would offer that Windsor or Hamilton would make more sense than Windsor and Hamilton.

The Chair: Are you really trying to suggest that on one of the travelling days that was suggested be split, we would be eliminating Hamilton?

Mr Gilchrist: My first suggestion, if it passes muster, would be that the committee would give that day to London. If that doesn't find favour with the opposition parties, then I certainly would be prepared to approve one or the other. It would seem to me that Windsor would make more sense because Hamilton is quite close to Toronto.

Mr Lessard: I just wanted to advise Mr Gilchrist that there wasn't really any ebb and flow. Everything was all just done on consent. We came up with this in a very few minutes.

Mr Gilchrist: Great.

The Chair: Yes, that certainly was on paper.

Mr Lessard: I expressed very strong feelings about being able to go to Windsor as I'm a member of the standing committee and I'm also the critic for apprenticeship and training issues and to me it's very important that the committee have hearings in Windsor. It's a community in the southwest. I think the suggestions we've made here cover off the north, the east and Toronto. The real question is where we go in the southwest. Half a day in Hamilton and half a day in Windsor was a compromise, and Windsor is my preference.

Mr Caplan: All I would add is that each caucus suggested different locations and through a process of compromise and consensus we were able to come up with this proposal, and that seemed to satisfy all of the different caucuses. Obviously the committee can do whatever it likes, but we went over all of the issues quite thoroughly. The government, the Liberal Party and the NDP all put forward different proposals and this was struck as a very reasonable way to accommodate all three views. My recommendation is to leave it as it is. That's what would be agreeable to —

The Chair: Just in discussion with the clerk, looking logistically, with the minister and all parties having an opportunity — the first day's going to be a Toronto day. Much of it will be kicking off the hearing process. You've got some distances to deal with. One of those days is going to be a very long and very unproductive day technically with moving and how much hearing time you're actually going to have in those distant locations.

What we were trying to do was streamline the travel arrangements. That's what we're trying to get to. We're really coming down to whether or not the decision is to split a day, have a 12-hour day basically with travel and two locations quite far apart and/or have an amendment to this agreement so we have a Windsor, Sudbury and Ottawa visit. That's really where we're trying to get to, if the wish is what I'm hearing.

Mr Tom Froese (St Catharines-Brock): If we have an agreement by all three parties, and Mr Lessard has already mentioned that, why aren't we spending a whole day in Windsor then, because to travel to Hamilton and Windsor —

Mr Ford: Waste of time.

Mr Froese: I've been there, done that on Bill 12, where we hit three cities in one day or whatever it was. Well, I better watch what I say because Hansard's recording it, but in my opinion, if we've got an agreement, Windsor is fine.

The Chair: With the permission of the committee members and indulgence, I think to clarify it for the clerk and those scheduling these hearings and the communication that subsequently goes out, we would need an amendment to number 8.

Mr Gilchrist: I'm prepared to propose an amendment for the committee's consideration, to simply delete the last sentence and say instead, "The committee will spend one full day in each of the following cities: Toronto, Sudbury, Windsor and Ottawa."

The Chair: With the consent of the committee, we have an amendment. Any debate on the amendment? We have debated it already.

Mr Lessard: I just want to reiterate what Mr Caplan said. We did have an agreement at the committee. I expressed my preference to ensure that we got to Windsor. I would like to go to Hamilton and Windsor. I think part of the reason for considering this was that the travel time would be during the day. If we were to have hearings in the evening, we'd be able to hear from some apprentices as well who may be working during the day. The fact that

we might start out early in the morning I don't think is a major factor. I understand the concern about 12-hour days, and sometimes I wish there weren't 12-hour days around this place. However, that's the reality that we're faced with.

The Chair: That's true.

Mr Caplan: We have to go for a vote, Mr Chair.

The Chair: The vote hasn't rung yet, but could we —

Mr Lessard: The bells are going to ring.

The Chair: Yes, the bells will ring, so we'll get a five-minute warning. Mr Caplan, do you have a comment?

Interjections.

The Chair: There will be a vote called.

Mr Caplan: I just found this out from my Web.

Mr Gilchrist: The vote is at 6.

The Chair: Did you have a comment specifically? We have an amendment before us.

Mr Caplan: No, I have no further comment. In my mind we had an agreement among all of the parties that this was a reasonable way to handle things and my strong recommendation is that we follow what's set out in the subcommittee report.

The Chair: We have tried to accommodate all members of the committee in the subcommittee process. We have an amendment. I'll call the question on the amendment. All those in support?

Mr Sergio: Who made the amendment?

The Chair: The amendment was made by Mr Gilchrist to have a full day in four locations: Toronto, Windsor, Sudbury and Ottawa. All those in support? Those opposed? That amendment's carried.

Mr Sergio: I didn't see a show of hands on the other side.

Interjections.

The Chair: I'll call the question on adopting the report, as amended. All those in support? All those opposed? That's carried. The clerk will be in touch with proceedings on this committee.

This committee stands adjourned.

The committee adjourned at 1750.

STANDING COMMITTEE ON GENERAL GOVERNMENT

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Vice-Chair / Vice-Présidente

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Mr Mario Sergio (Yorkview L)

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Mr Douglas B. Ford (Etobicoke-Humber PC)

Mrs Lillian Ross (Hamilton West / -Ouest PC)

Also taking part / Autres participants et participantes

Mr Rick Bartolucci (Sudbury L)

Mr. David Caplan (Oriole L)

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Mr Tony Martin (Sault Ste Marie ND)

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of Ontario**

Second Session, 36th Parliament

**Assemblée législative
de l'Ontario**

Deuxième session, 36^e législature

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of Debates
(Hansard)**

Thursday 5 November 1998

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Jeudi 5 novembre 1998

**Standing committee on
general government**

Condominium Act, 1998

**Comité permanent des
affaires gouvernementales**

Loi de 1998 sur les condominiums

Chair: John R. O'Toole
Clerk: Tom Prins

Président : John R. O'Toole
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Thursday 5 November 1998

Jeudi 5 novembre 1998

The committee met at 1007 in committee room 1.

CONDOMINIUM ACT, 1998

LOI DE 1998
SUR LES CONDOMINIUMS

Consideration of Bill 38, An Act to revise the law relating to condominium corporations, to amend the Ontario New Home Warranties Plan Act and to make other related amendments / Projet de loi 38, Loi révisant des lois en ce qui concerne les associations condominiales, modifiant la Loi sur le régime de garanties des logements neufs de l'Ontario et apportant d'autres modifications connexes.

The Chair (Mr John O'Toole): I call this committee to session. We have in front of us a number of amendments to Bill 38. We had in the subcommittee agreed to perhaps a four- or five-minute overview from each caucus at the beginning of the clause-by-clause process. What I'd like to do, if possible, is start with the Liberal caucus and then the NDP caucus, and the concluding comments by the government caucus. With that particular comment being made, I would ask if the Liberal caucus is prepared to make an opening statement on the clause-by-clause. This is Bill 38.

Mr Mario Sergio (Yorkview): Just briefly, Mr Chairman, in the time that I have spent on the committee assessing the various deliberations, there were a number of good presentations made and I felt that some of the presenters exposed some valid points, valid concerns. Busy as we are, unfortunately I haven't been able to go through the various amendments, motions presented by the government here, including a few of ours, and see if some of those concerns were taken into consideration now within the changes here. I have to say that when I saw so many motions, I felt maybe we're going to have a new bill again, you know, we'll start all over again. I'm wondering if some of those concerns which I thought to be valid from some of the presenters were incorporated in these motions.

I don't have any specific comments on any one of them, but as we move along I hope to at least recognize some of those valid points that I believe were made by some of the presenters and make some comments at that time.

The Chair: Mr Martin, if you would like to make an opening comment or statement on the proceedings so far.

Mr Tony Martin (Sault Ste Marie): I just wanted to thank all those who have worked so hard to get us to where we are today, actually looking at a piece of legislation that will have this whole sector of housing and industry in the province move ahead and come into the time that we live in. A lot of work has gone in over a long period of time. Differing governments have taken a look at this and have worked with the parties involved. It's good that we have it in front of us now and that we have an opportunity to actually together approve something that will be helpful. I look forward to participating in that.

Frankly, I was ready to move with this bill back when it was first introduced, but I appreciate the commitment to a process that involved other people coming forward to give us another overview of how it affected them and present to us some changes that might be made that might, again, improve the bill. So I look forward to today going through those amendments and having some further discussion and dialogue on that and ultimately, at the end of the day, having something that we can bring to the House, that then will probably get approval and be helpful to those who are involved in the condominium business, whether it's owners, developers or builders in the province, in the not too distant future.

Mrs Lillian Ross (Hamilton West): I'll keep my comments very brief. I simply want to say that our government since 1996 has been going through ongoing consultations with all of the people involved in the condominium industry, including condominium owners and managers, legal experts, financial experts, insurance experts, developers and home builders, along with several others.

I want to take this opportunity to thank Nancy Sills, on my left, and Paul Gordon, on my right, for their hard work. They've literally worked 24 hours a day trying to get this bill completed and address the amendments. I would also thank Derek O'Toole for his hard work. We have with us Peter Ross as well, in the back, who has worked for the past eight years on this Condominium Act, so he's very pleased to see this come forward. Charles Finley, a legal counsel with the ministry who I think has since retired, worked very diligently on this act as well.

I urge the committee to move forward on this bill as quickly as we can to address the amendments. We've listened to the stakeholders who came forward to the public hearings and we've tried to address many of the issues that were brought forth. I urge you to exercise care

and diligence but to move forward in a timely fashion so we can go through this, hopefully, today.

The Chair: Very good. I wonder, for the record, if we could have the other persons at the table with you state their names.

Ms Nancy Sills: My name is Nancy Sills, and I'm counsel at the Ministry of Consumer and Commercial Relations.

Mr Paul Gordon: My name is Paul Gordon, senior policy analyst with the Ministry of Consumer and Commercial Relations.

The Chair: Thank you very much. With that being the opening statements, we will start with the first of what I believe are 89 amendments that we have to deal with today.

Mr Douglas B. Ford (Etobicoke-Humber): I move that subsection 1(1) of the bill be amended by adding the following definitions:

“‘common elements condominium corporation’ means a common elements condominium corporation described in subsection 139;

“‘phased condominium corporation’ means a phased condominium corporation to which part XI applies;

“‘vacant land condominium corporation’ means a vacant land condominium corporation described in subsection 156.”

The Chair: Are there any questions or comments?

Mrs Ross: Excuse me. I think in the last part of that that where he read “‘vacant land condominium corporation’ means a vacant land condominium corporation described in subsection 156,” that should be 156(2). And above that, under common elements, where it says “condominium corporation described in subsection 139,” that should be 139(2), as well.

The Chair: Any other questions or comments? If not, I'll call the question on amendment number 1. All those in support? It's carried unanimously.

Mrs Ross, if you could, we're dealing with amendment number 2.

Mrs Ross: I move that paragraph 4 of subsection 6(2) of the bill be struck out and the following substituted:

“4. Standard condominium corporations that are not any of the corporations mentioned in paragraphs 1, 2 and 3.”

The Chair: Any questions or comments? All those in support? It's carried unanimously.

If I could just slow the committee proceedings down for one moment, the clerk has advised me — thanks for the assistance, Tom — that we should deal with section 1. I would like to call the question on section 1, as amended. All those in support? That's carried.

Procedurally, there are no amendments to section 2, so we're voting on section 2 of the bill. All those in support? That's carried.

Sections 3, 4 and 5, if I could group those together, unamended: All those in support? That's carried.

Thank you very much for your patience. Now we're dealing with the second amendment to section 6 — that's the third amendment — moved by Mrs Ross.

Mrs Ross: I move that clause 6(4)(b) of the bill be struck out and the following substituted:

“(b) if the corporation is a freehold condominium corporation, the type of freehold condominium corporation that it is.”

The Chair: Any questions or comments on that amendment? Seeing none, I'll call the question on the amendment. All those in support? That's carried unanimously.

We're now at section 7, so I'll call the question on section 6, as amended. All those in support? That's carried.

Now section 7.

Mrs Ross: I move that clause 7(2)(e) of the bill be struck out and the following substituted:

“(e) an address for service, a municipal address for the corporation, if available, and the mailing address of the corporation if it differs from its address for service or municipal address.”

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Everyone in support? Carried.

We have the next amendment to —

Mr Sergio: Perhaps I don't read the motion the way the government intends under (e), “an address for service, a municipal address for the corporation, if available....” If we don't have an address, do we have a corporation?

The Chair: I would defer to the parliamentary assistant on that, although we have voted on this section. It's kind of a procedural exception.

Mr Sergio: We have voted?

The Chair: Yes.

Mr Sergio: When?

Mrs Julia Munro (Durham-York): Just now.

Mr Sergio: Just now? I didn't realize —

The Chair: Well, we haven't called the question on that section.

Mr Sergio: You haven't called the question? I'm sorry.

Mr Steve Gilchrist (Scarborough East): We voted on the amendment.

The Chair: We voted on the amendment, yes, but we haven't voted on the section, so in that respect I think you can generally make a comment for clarification.

Mr Sergio: That's my comment. If you don't have an address for a corporation, do you have a corporation?

Mrs Ross: Yes, you can. You can have an address for a property but oftentimes the municipal address is not available until the declaration is registered. That's why we've included that in there.

Mr Sergio: Is that explained in any other part?

Mrs Ross: For example, you may have a lot number, that sort of thing, as opposed to a municipal address. When you build the condominium, it's built on lot number such-and-such and that's the address under the municipal plan. But when it's registered, then it becomes an address, such as 10 Main Street. It's no longer a lot number.

The Chair: Is that satisfactory, Mr Sergio?

1020

Mr Sergio: Well, a municipal address is fine if it's an empty piece of land on any particular place. I'm not a lawyer. I'm giving you the view the way I see it from the experience I've had. You may have a piece of land that is going through rezoning or being built and whatever, and until that particular building, be it residential, industrial, commercial, whatever, does get the condominium status, it would have an address, municipal address, specifically for that piece of land as the conditions may be. It would be a condominium corporation with that particular address when the condominium is registered, so the condominium corporation would have an actual address. I don't see the "if," "if you have an address." I don't see that. It should be an address. I don't see the "if." The "if" gives me problems.

Mrs Ross: Just to try to clarify that again, if a condominium corporation is building several townhomes, as an example, they have several streets within that complex and they have lot numbers assigned to those particular homes that they are building. But until they determine what they are going to call the street, they actually don't have a municipal address until that happens, and generally that happens when they register.

Mr Sergio: I find that strange, if I may, Mr Chairman. You may have a plan of subdivision with a number of streets, be it townhouses or whatever, but you have to have a municipal address, and then you may have different blocks or whatever. Maybe I'm reading it wrong. I won't dwell on it.

Mrs Ross: Could I get legal counsel to respond?

Mr Tom Froese (St Catharines-Brock): On a point of order, Mr Chair: With all due respect, we've already voted on this amendment. If the member wants clarification, clarification has been given. We've already voted on the amendment, so I think we should carry on.

The Chair: Mr Froese, we haven't voted on section 7 yet. It's clarification, and the Chair will indulge legal counsel to perhaps add some clarity to the question. I understand what Mr Sergio is saying and I hope you can explain it for the members of the committee.

Ms Sills: I think that in cases of development where the land is being redeveloped and there are new homes, new units, the municipality may not necessarily have assigned an official municipal address yet, and so this recognizes the fact that the developer may not have been given a municipal address at the time of creation of the condominium.

Mr Sergio: I'll take that as acceptable.

The Chair: I'll call for voting on section 7, as amended. All those in support? Thank you.

We're now in the first amendment of section 8.

Mrs Ross: I move that clause 8(1)(e) of the bill be struck out and the following substituted:

"(e) a certificate of an architect that all buildings have been constructed in accordance with the regulations and, if there are structural plans, a certificate of an engineer that all buildings have been constructed in accordance with the regulations."

The Chair: Any questions or comments? All those in support? That's carried.

Section 8 is completed now, so we'll vote on section 8, as amended. All those in support? That's carried.

We've got no amendments up to section 19, so with the indulgence of the committee we will lump together sections 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18. All of those sections I have just named have no amendments. I call the question on all those sections at once. All those in support? That's carried.

Section 19.

Mrs Ross: I move that section 19 of the bill be amended by adding at the end "or to exercise the powers of the corporation."

The Chair: Any questions or comments? Seeing none, I'll call the question. All those in support? That's carried.

Section 19, as amended, all those in support? That's carried.

Section 20, no amendments, all those in support? Section 20 is carried.

Section 21, all those in support?

Mrs Ross: Mr Chair, I do have an amendment on subsection 21(2).

The Chair: We haven't called the question. Members of the committee do not have copies of any amendments to section 21, so if there are any, with the permission of the clerk, we'll distribute those to the members of the committee.

Mrs Ross: Could I just make a comment here, Mr Chair?

The Chair: Yes, while the clerk is distributing the copies. The clerk is hurriedly getting a copy of the amendment. If you could address the members of the committee, I'd appreciate it.

Mrs Ross: I apologize to the committee. There are five amendments that weren't submitted previously, the reason being that — well, I don't have a reason. But I'd like to say that all of these five amendments address the issue with respect to documents executed by the corporation to be under seal. Because of technology the way it is, seals are no longer required. There are several sections, five of them, in which the amendment — if I could read one of them. They basically read the same, to strike out "under its seal" because we no longer require seals, with the age of technology, as a way of filing documents.

The Chair: Ms Ross, I think because members don't have copies of the amendments, we could just take a four-minute recess right now. We'll reconvene here —

Mr Sergio: Why don't we carry on with some of the others? Then we can come back to those.

The Chair: We'd need unanimous consent, if that's the will of the committee, to stand down 21 and move on to 22. That's probably the most efficient. Thank you very much for that. I'm seeking unanimous consent to set down 21. All those in support? Thank you very much.

We're moving now to section 22, moved by Mr Sergio.

Mr Sergio: I move that the definition of "telecommunications" in subsection 22(1) of the bill be amended

by adding at the end "whether or not it is one-way or bi-directional."

I think it's self-explanatory. I don't want to take the time of the committee.

The Chair: Mr Sergio has moved an amendment to subsection 22(1). Any questions or comments from members of the committee?

Mrs Ross: I just want to say that we don't believe this adds anything to the bill. In fact, there was a comment made that there could be multi-directional as well, so it might in fact confuse the situation. We don't feel it adds anything to the bill, so we'll be voting it down.

The Chair: Any questions or comments with respect to this amendment? Seeing none, I'll call the question on the amendment to 22(1). All those in support of the amendment? Opposed? The amendment is defeated.

Subsection 22(2), Mr Sergio.

1030

Mr Sergio: I move that subsection 22(2) of the bill be amended by striking out "or" at the end of clause (b) and by striking out clause (c) and substituting the following:

"(c) amend an agreement for a telecommunications system that services the units of the corporation to permit the other party to the agreement to supply and invoice discretionary services directly to the unit owners; or

"(d) amend an agreement for a telecommunications system that services the units of the corporation to permit the corporation to supply bulk basic services only and to invoice them to the corporation."

Again, we see in both clauses that we are trying to protect the individual owners. We believe it's more beneficial. It's more explicit if we were to do that. We have seen, for example — and I believe it's coming later on in another motion by the government as well — with the telecommunications where the original builder or owner has been retaining full power and control and now he's imposing it on the full corporation. We want to see any benefits we can add to the various changes in the bill to make it more beneficial for the individual owners. This would be one area.

Mrs Ross: I'd like to say that under clause (c) he puts in "discretionary services." We're not quite sure what that means and we believe that confuses the issue. Under (d) he's put down here that it includes "bulk basic services only and to invoice them to the corporation." It leads to the question, does that mean that bulk basic services are now common expenses? It's a legal question there. We don't believe this adds anything to the bill.

The Chair: No further discussion? I'll call the question on the amendment to section 22(2). All those in support of this amendment? All those opposed? I declare that the amendment has been defeated.

Mr Sergio.

Mr Sergio: I move that section 22 of the bill be amended by adding the following subsections:

"No negative options

"(4.1) Despite anything in this act, after the day this section comes into force, a corporation may not enter into a telecommunications agreement that provides for the

automatic renewal of the agreement in the absence of any action by any of the parties and such an agreement is void.

"No registration

"(4.2) Despite anything in this act, after the day this section comes into force, no person may register a telecommunications agreement against the land or interests appurtenant to the land of a corporation, as the land and the interests are described in the description."

I think this is perhaps a bit clearer than what I was saying before, where the builder or the owner is entering into an agreement prior to and is retaining that agreement even after the condominium is registered, at the expense of the corporation and the individual owners. That's basically the intent. I would like to hear from the parliamentary assistant on this one as well.

Mrs Ross: "No negative options," subsection (4.1), which the member has suggested is really a consumer protection issue. It's our view that it really doesn't belong in the Condominium Act. It is an issue that the minister is very concerned about, and certainly we'll address that issue under the Consumer Protection Act. It's not the appropriate avenue to put it here. In fact, it would create two levels of consumers: those covered by the Condominium Act and those not.

Under subsection (4.2), we believe anything that affects title should be put on the title so that people know about it when they're buying a property. So we will be voting in opposition to this amendment.

The Chair: Any other comments or questions on this section?

Mr Sergio: I think it was very forcefully put to us by the proponents when they made a presentation. The question is this: If a developer enters into an agreement with a company prior to registration of a condominium, it's giving lifetime control of the telecommunications in that particular respect. We believe that when the corporation takes over, the corporation should have the power, the jurisdiction to terminate or continue that agreement with that particular contractor or service provider. We don't believe in a developer, once he has sold the units and has no more interest in the building, retaining some interest through a contract prior to the registration. We believe it is in the interests of the individual units and of the corporation that the corporation and the individual unit owners should decide to continue that service with that previous provider or not. In this particular case, they will not be able to because that agreement is a lifetime agreement.

The Chair: You've certainly made your argument. With that, I would call the question on the amendment to subsections 22(4.1) and (4.2). All those in support of this amendment? All those opposed? The amendment is defeated.

Subsections 22(5) and (6), and I would advise members to add subsection (7) in the opening definition there. Ms Ross.

Mrs Ross: Subsections 22(5) and (6), I move — and (7), sorry.

The Chair: Members of the committee, just pencil that in. It's a small typographical error in the opening line.

Mrs Ross: It should read "Subsections 22(5), (6) and (7)."

I move that subsections 22(5), (6) and (7) of the bill be struck out and the following substituted:

"Telecommunications easement

"(5) A corporation and a party, if any, that has entered into a telecommunications agreement with the corporation shall have a non-exclusive easement over the part of the property described in clause (b) for the purpose of installing and using a telecommunications system if,

"(a) the corporation was created on or after the day this section comes into force and includes one or more units for residential purposes;

"(b) part of the property is designed to control, facilitate or provide telecommunications to, from or within the property; and

"(c) the corporation does not have an easement over the property described in the description or a right to use the property that is adequate for,

"(i) the telecommunications agreement that it has entered into with respect to the property, if it has entered into such an agreement, or

"(ii) the telecommunications system that the corporation intends to install and use on the property, if it has not entered into a telecommunications agreement with respect to the property.

"Duty to accommodate easement

"(6) If a telecommunications system installed on the part of the property described in clause (5)(b) interferes with a telecommunications system that the corporation intends to have installed and to use on the property described in the description, the owner of the part of the property shall, upon 30 days' written notice by the owner of the easement described in subsection (5), take all necessary steps that are reasonable to accommodate the intended telecommunications system.

"Validity of easement

"(7) The easement is valid even though the corporation and the party, if any, that has entered into a telecommunications agreement with the corporation own no land to be benefited by the easement."

I've just been asked to clarify, under clause (5)(c), it's a small (i) before the first paragraph beginning with "the telecommunications agreement," and (ii) before the second paragraph, again beginning with "the telecommunications system," just to ensure it's correct.

1040

The Chair: Is there any debate or discussion on this motion?

Mr Sergio: I wonder if perhaps the parliamentary assistant or the legal staff can allay my fears. This is addressing exactly the concern expressed by those telecommunications people and it is not clear to me that indeed if that easement were given to a particular supplier of a telecommunications service by the owner of the land, the builder, the developer, whoever, that agreement will follow through indefinitely, forever. Perhaps to allay my fears and those of the deputants who were here, and I believe some of them may be here today, if indeed we are

inserting here in the motion, in the changes, that when the corporation takes over, they have the right, they have the power to either continue with that previous engagement or contracted company, or, if they are not happy for whatever reason, they may say, "Thank you, we're going to go ahead and have another company." That's what I would like to see.

I believe that the corporation, not somebody previous to that, in this case a builder or a developer or landowner, should have the only and sole authority to decide on behalf of the corporation or the individual owner that they are stuck with a service that they don't want, that is no longer feasible, that is too expensive, that is not in the best interests of the corporation. Can you please allay my fears that we don't have this particular situation here?

Mrs Ross: That concern has been raised by many people who came to the hearings. What we're saying is that because the cost involved in putting in a telecommunications system is so high, the individual or company involved in putting that system in should have some time to recoup their costs. In the Condominium Act, we have included 10 years as sufficient time for them to recoup their costs, and after 10 years then certainly the corporation can make whatever changes they wish to the CCUs. We believe that's fair and reasonable. As a matter of fact, many of the condominium owners who made presentations were prepared to look at a length of time for people who have installed that equipment to recoup their costs. We feel that 10 years is reasonable.

The Chair: Does that satisfy your concern?

Mr Sergio: No, it doesn't, but I don't want to delay it. I can see that we are trying to make changes over time to improve the Condominium Act, ultimately to make it better for the unit owners. I believe that we should have some mechanism in place where, as I said before, the corporation, the individual unit owners should be able to decide if they're willing to continue with a particular contract or agreement. I understand that there are certain expenses involved, incurred, especially in providing some major item like this, but I don't believe that a corporation or owners should be stuck with a very expensive provider of a service solely because now the corporation is stuck with allowing that provider to recoup some of its expenses. I don't think it's fair. If they are much more expensive than other providers, I don't think the unit owners should be stuck with recouping somebody's money who is not providing an efficient service. That's my point.

Mrs Ross: I just simply want to say again that we have looked at that issue and, in fairness to people who want to spend some dollars to put in CCUs, they should be able to recoup their costs, and 10 years seems to be fair and reasonable.

The problem you have is if a condominium corporation could make changes immediately upon taking over ownership, at the turnover meeting, if they could say to someone who's spent a great deal of money to put in a CCU, "Your contract is null and void," that would prohibit any telecommunications people from wanting to invest in condominium units.

The Chair: Regarding Mr Sergio's caucus's amendments, as Chair I sit and listen to this, and I think there were good arguments made. I think this is a reasonable solution. Perhaps I'm not supposed to air an opinion as the Chair, but I appreciate that explanation, Mrs Ross. With that, I'll call the question.

All those in support of the amendment before us? Opposed? It's carried.

We're now moving to subsection 22(9). Mr Sergio.

Mr Sergio: Subsection 22(8)?

The Chair: Subsection 22(8), yes. Sorry.

Mr Sergio: Did we vote on section 21?

The Chair: No, not on section 21. We'll do that after section 22 is completed, with your indulgence.

Mr Sergio: I move that subsection 22(8) of the bill be struck out and the following substituted:

"Easements non-exclusive

"(8) If the property of a corporation that includes one or more units for residential purposes is subject to an easement for the purposes of telecommunications, then, despite anything in the grant of the easement, the easement shall be deemed to be non-exclusive."

I will have to repeat the previous arguments, as they relate to the same thing and again speak of exclusivity to a former supplier which the contractor entered into prior to the corporation being in place. My arguments are the same. I expect that probably the vote is going to be the same. But again, I'm speaking for the benefit of the condominium corporation, especially at a time when the corporation is fresh, it's new and the owners are trying to keep the costs down, if you will. I don't believe they should be burdened. An expensive contract may not be the best service, perhaps, for a period of 10 years. A mechanism should be in place whereby the supplier may have to make some other arrangements, while ultimately the corporation's individual owners should have the final say either to continue or terminate that agreement, and that continues to be my view, Mr Chairman.

The Chair: Any other discussion?

All those in support of this amendment? Seeing none, all those opposed? That's defeated.

Mr Sergio, clause 22(9)(a).

Mr Sergio: I move that clause 22(9)(a) of the bill be struck out.

I'll leave it at that. I don't want to prolong, giving too many details. It's simple and clear in itself.

The Chair: Any questions or comments?

Mrs Ross: I just simply want to say that we believe this is really punitive and unfair and, again, believe that the telecommunications contractor has to have some time to recoup his costs.

The Chair: I'll call the question on this amendment.

All those in support?

Mr Martin: Could we have a recorded vote on this one?

The Chair: Yes. We're calling for a recorded vote on this particular amendment, moved by Mr Sergio.

Ayes

Martin, Sergio.

Nays

Ford, Froese, Gilchrist, Munro, Ross.

The Chair: The motion is defeated.

Clause 22(9)(c).

Mrs Ross: I move that clause 22(9)(c) of the bill be amended by striking out "at least 50%" in the first line and substituting "more than 50%."

The Chair: Any questions or comments? Seeing none, I'll call the question.

Those in support? That's carried.

Section 22.

1050

Mr Sergio: I move that section 22 of the bill be amended by adding the following subsection:

"Legal costs of termination

"(10.1) If a corporation terminates a telecommunications agreement before 10 years have passed since the later of the execution of the agreement and the registration of the declaration and description, the persons who were directors of the corporation at the time the agreement was executed shall reimburse the corporation for the legal costs incurred by the corporation in terminating the agreement."

The Chair: In light of the discussions with respect to the similar issue, do you have any comments?

Mr Sergio: No, I don't. I'll save the committee time.

The Chair: OK. Any questions or comments? I'll call the question.

Those in support of this amendment? Those opposed? The motion is defeated.

Now we are completed section 22, and I'd like to vote on section 22, as amended.

All those in support of section 22, as amended? That's carried.

With the indulgence of the committee, members now have in their possession a number of amendments moved or put forward by the government in section 21. Everyone has those amendments? We'll deal with them one at a time.

Subsection 21(2).

Mrs Ross: I move that subsection 21(2) of the bill be amended by striking out "under its seal" in the third line.

The Chair: Any questions or comments on this?

Mr Ford: Yes. "Under its seal," I'm under the impression that they still use seals in legal terminology, don't they? They haven't eliminated seals, corporate seals or any —

Mrs Ross: No, but in registering documents or land titles —

Mr Ford: And in swearing, you don't have to use a seal?

Mrs Ross: That's correct. You do not have to use a seal.

Mr Ford: It's eliminated completely?

Mrs Ross: In some cases, through the land title's registration.

Mr Ford: That's what I'm saying. The seal definitely defines that it's legal, but if you don't have to use seals any more in swearing, and you said it's only used in application for land development, I think we should leave that in there.

Mrs Ross: This is being used only in the context of section 21 of this bill, that you don't require a seal.

Mr Ford: There is no doubt, then, the seal is not required. Is that right?

Mrs Ross: That's correct.

Mr Froese: On a point of order, Mr Chair: I'd like to make a motion that — maybe the clerk can tell us — we block this, all of these amendments with respect to the seal; that we carry the motion right now, subsections 121, 123, 124, 125.

The Chair: That's not a point of order. We have a motion on the floor which we're discussing. It may certainly be in order to examine this option you're bringing forward. I'd leave that to perhaps Mrs Ross and the crafters of these amendments to take that initiative.

Mrs Ross, you're dealing with the amendment to subsection 21(2), dealing with the seal. The point has been made. Any further debate on this issue of the seal?

Mr Sergio: Yes. I can see the intent of the member, and I think he's right. All four of them, I believe, or five, deal with the seal here. It should be dealt with as a whole. If it doesn't cause any problems, then why take that out? Usually when some agreement is signed — and I concur with Mr Ford — be it a lease agreement or whatever, there is legal terminology in effect, to be under seal. Are we saying that agreements — in this particular case it's a lease agreement and others — don't have to be under seal but still are enforceable?

Mrs Ross: I'll ask Nancy to respond.

Ms Sills: We've taken out the references to seals in all these questions because for land registration purposes it is not necessary to have a seal; you can simply put a statement on the document saying that you have authority to bind the corporation. These amendments will facilitate electronic registration. The trend now is away from the requirement for corporate seals. It doesn't prevent the corporation from putting a seal on it if it wishes, it just doesn't require it.

Mr Sergio: If an officer of a corporation in one of his functions either for registration purposes or otherwise through the local municipality were to submit a document not under seal and if something were to go wrong, does it mean that officer is not legally bound or responsible for whatever action may emanate from that particular document not being under seal?

Ms Sills: No. If the officer signs the document, the officer is representing that he or she has the authority to do so.

Mr Sergio: Even though it's not under seal?

Ms Sills: Yes.

The Chair: Very good.

Mr Sergio: I would feel comfortable if we were to leave in "under its seal." It doesn't seem to make any difference other than expediency because of this new computer terminology, if you will, or to facilitate it for any other reason. I would say that it would perhaps make members of corporations much happier to see it under seal than to say, "For expediency of photocopying, we don't require it."

The Chair: It doesn't prohibit it, though. That's my understanding.

Mr Sergio: It doesn't prohibit, but again it raises some questions.

The Chair: It may be that the orders in council will all come out under an Internet directory of some sort. Anyway, we have a motion here. I'm at the indulgence of the committee. This particular seal issue, subsection 21(2), is moved by Ms Ross.

All those in support?

Mr Sergio: Do you want to vote on all five of them together, Mr Chairman?

The Chair: They're all different sections, and I would like to give time to legislative staff. It's the only amendment to section 21. The others are to 121, 123. They're dealing with the same issue in different sections of the bill. The researcher is going to be looking at its appropriateness. Mr Froese brought that up as well, but they're different sections.

We called the question and that carried. The amendment carried in section 21. I'm going to call the question on section 21, as amended.

All those in support? That's carried.

We're now moving to subsection 23(2).

Mrs Ross: I move that subsection 23(2) of the bill be struck out and the following substituted:

"Notice to owners

"(2) Before commencing an action mentioned in subsection (1), the corporation shall give written notice of the general nature of the action to all persons whose names are in the record of the corporation maintained under subsection 47(2) except if,

"(a) the action is to enforce a lien of the corporation under section 86 or to fulfil its duty under subsection 17(3); or

"(b) the action is commenced in the Small Claims Court."

The Chair: Are there any questions or comments?

Mr Sergio: If we say, "except for (a) and (b)" — and I don't want to doubt the officers of corporations — how do the individual owners know that indeed those actions are being carried out if no notification is being given to the individual owners?

Mrs Ross: Actually, I'll refer this to legal counsel.

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Ms Sills: Under the current Condominium Act, there is already an exception for actions in Small Claims Court. They don't have to notify all the owners. So the amendment here is to reinstate that exception. One of the reasons is that the amounts in Small Claims Court are smaller amounts. If you have a large condominium project

and you have to give notice to 300 owners, it's a real administrative burden.

In terms of how the owners find out about these actions, there is an annual general meeting every year at which these types of matters can be disclosed and they can ask questions about them.

Mr Sergio: It goes totally against the interests of the individual owners. As I said, and I'm going to repeat myself, I don't want to sound like I don't have faith in the members of the corporation running the board, but I would hate to see individual owners read in the newspaper or the Gazette or whatever that an action has been taken or not taken on behalf of the corporation when indeed, at whatever meeting, the corporation was directed to do certain things. I believe that the intent of making some changes to the act is to improve it for the benefit of the individual owners. With all due respect, even though it's already there now, this is practically saying, "Because it's there now, we are not going to change it." What is the purpose of making changes if we do not improve it for the individual owners?

If the management of 300 units — and I'm taking 300 units — cannot slip a piece of paper underneath the individual doors and say, "We have taken this particular action," then, I'm sorry, I don't think it becomes an administrative burden. As an individual owner, I want to know if indeed a lien has been either removed or placed on whatever. As individual owners, we should be advised regardless. Only then a board and management functions together well in the interests of the individual owners. I'll tell you, by leaving a clause like this simply because the small claims court says you already have that authority, I want to know that my corporation has been doing exactly that, and unless the management notifies me, I won't be able to find out. It's not a service that we are providing to the individual owners and it's not an amelioration to the act if we leave it as it is. That's my view.

Mrs Ross: I just want to say that, indeed, when you elect a board of directors, there's some sort of faith and trust that you put in that board to act on your behalf, and we believe that this puts an onerous burden on them to notify it for small claims.

Mr Martin: There's another angle on this that may be of interest, and perhaps I can put it on the table, and that's the issue of the protection of privacy of people who have gotten themselves into a small difficulty with the corporation and don't want everybody in the building to know. It comes out in the annual report and perhaps it'll be discussed in general at an annual meeting, but it may not be that each individual owner who is in a dispute with the corporation wants everybody in the building to know their business.

The Chair: It's an interesting perspective.

Mrs Ross: I just want to say that is an interesting point. Thank you for raising that.

The Chair: Very good. Any debate on this particular amendment? I'll call the questions. All those in support? It's carried.

We are now dealing with section 23, as amended. All those in support of section 23, as amended? That's carried.

There are no amendments of record on section 24. I'm going to call sections 24, 25, 26 and 27 as there are no amendments to any of those sections. All those in support of those sections? Opposed? Carried on each of those sections.

We are now dealing with subsection 28(2).

Mrs Ross: I move that subsection 28(2) of the bill be struck out and the following substituted:

"Notice of candidates

"(2) The notice of a meeting to elect one or more directors shall include the name and address of each individual who has notified the board in writing of the intention to be a candidate in the election as of the fourth day before the notice is sent."

The Chair: Any questions or comments on this? Seeing none, I'll call the question. Those in support? That's carried.

I'll now call the question on section 28, as amended. All those in support? That's carried.

On section 29, there are no amendments. I'll call the question on section 29. All those in support? That's carried.

Section 30, I'll call the question. All those in support? It's carried.

We are now dealing with section 31.

Mrs Ross: I move that subsection 31(3) of the bill be struck out.

The Chair: For the purpose of administration, the Liberal motion, the next amendment, is a duplication, so I'm going to be calling the question on 31(3). I'm not calling the section, it's just on this particular amendment. All those in support? That's carried.

Mr Sergio, how do you intend to deal with your proposed amendment here? It's a duplication.

Mr Sergio: That's been done on page 17.

The Chair: It seems we agreed on that, or the government agreed with the Liberal caucus. Are you going to stand it down or withdraw it?

Mr Sergio: Withdrawn.

The Chair: We're dealing with section 31, as amended. All those in support? That's carried.

Section 32, there are no amendments. All those in support of section 32? That's carried.

Section 33, we have an amendment.

Mrs Ross: I move that subsections 33(1) and (2) of the bill be struck out and the following substituted:

"Removal

"(1) Subject to subsection 51(8), a director, other than a director on the first board, may be removed before the expiration of the director's term of office by a vote of the owners at a meeting duly called for the purpose where the owners of more than 50 per cent of the units vote in favour of removal."

The Chair: Are there any questions or comments on this amendment? Seeing none, I'll call the question. All those in support? That's carried.

Section 33, as amended, all those in support? That's carried.

Section 34, with no amendments. I'll call the question. Those in support of section 34? That's carried.

Sections 35, 36 and 37, there are no amendments. I'll call the question on those three sections. All those in support? That's carried.

We're now at section 38, proposed by Ms Ross.

Mrs Ross: I move that subsection 38(1) of the bill be amended by inserting "estate trustees" after "administrators" in the fourth and fifth lines.

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 38, as amended, all those in support? That's carried.

Section 39.

Mrs Ross: I move that section 39 of the bill be struck out and the following substituted:

"Insurance

"39. If the insurance is reasonably available, a corporation shall purchase and maintain insurance for the benefit of a director or officer against the matters described in clauses 38(1)(a) and (b) except insurance against a liability, cost, charge or expense of the director or officer incurred as a result of a breach of the duty to act honestly and in good faith."

The Chair: Any questions or comments? Seeing none, I'll call the question. All those in support? That's carried.

Section 39, as amended, all those in support? That's carried.

Section 40, as is, all those in support? That's carried.

Section 41.

Mrs Ross: I move that subsection 41(2) of the bill be amended by striking out "of directors" in the third and fourth lines.

The Chair: Any questions or comments? I'll call the question. Those in support? That's carried.

Section 41, as amended, I'll call the question. All those in support? That's carried.

Section 42.

Mrs Ross: I move that subsection 42(1) of the bill be amended by striking out "of directors" in the third and fourth lines.

The Chair: Any questions or comments? I'll call the question. Those in support? Carried.

Section 42, as amended, those in support? That's carried.

Section 43.

1110

Mr Sergio: I move that clause 43(4)(c) of the bill be amended by striking out "leases and licences" in the fifth line and substituting "leases, licences and easements". Again, it's very simple, it's very explicit. It's just to add "easements."

The Chair: Any questions or comments?

Mrs Ross: We have no problem with that.

The Chair: Any other discussion? This amendment really adds the word "easements" to subsection 43(4)(c).

I'll call the question in support of this amendment. All those in support? That's carried.

Mr Gilchrist: Another successful day.

The Chair: Another successful day. I'll call section 43, as amended. All those in support? That's carried unanimously.

On sections 44, 45, 46, 47 and 48 there are no amendments. I'm calling the question on all those sections. All those in support? That's carried.

We're dealing now with section 49, moved by Ms Ross.

Mrs Ross: I move that subsection 49(2) of the bill be struck out and the following substituted:

"Payment of arrears

"(2) An owner who is not entitled to vote under subsection (1) may vote if the corporation receives payment of the arrears with respect to the owner's unit before the meeting is held."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 49, as amended. All those in support? That's carried.

Section 50, moved by Ms Ross.

Mrs Ross: I move that subsection 50(1) of the bill be amended by striking out, "33\$ per cent" in the seventh line and substituting "33 1/3 per cent."

The Chair: Any questions or comments? All those in support? That's carried.

I'll call the question on section 50, as amended. All those in support? That's carried.

Section 51.

Mrs Ross: I move that subsection 51(6) of the bill be struck out and the following substituted:

"Reserved position

"(6) If at least 15 per cent of the units of the corporation are owner-occupied units on or after the time at which the board is required to call a turnover meeting under section 43, no persons other than the owners of owner-occupied units may elect a person to or remove a person from one of the positions on the board."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? It's carried.

Section 51.

Mrs Ross: I move that subsections 51(8) and (9) of the bill be struck out and the following substituted:

"Removal

"(8) A director elected under subsection (6) may be removed before the expiration of the director's term of office by a vote of the owners at a meeting duly called for the purpose where the owners of more than 50 per cent of the owner-occupied units vote in favour of removal."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 51, as amended. I'll call the question. Those in support? That's carried.

Section 52.

Mrs Ross: I move that subsection 52(2) of the bill be amended by inserting “promptly” after “or” in the fourth line.

The Chair: Are there any questions or comments? Seeing none, I’ll call the question. Those in support? That’s carried.

I’ll call the question on section 52, as amended. All those in support? That’s carried.

I’ll call the question on sections 53, 54 and 55 as there are no amendments. All those in support of those sections? That’s carried.

Section 56.

Mrs Ross: I move that subsection 56(1) of the bill be amended by adding the following clause:

“(h.1) to extend the circumstances described in subsection 106(2) under which an amount shall be added to the common expenses payable for an owner’s unit for the purposes of subsection 106(2.1).”

The Chair: Are there any questions or comments? Seeing none, I’ll call the question. Those in support? That’s carried.

Section 56, as amended: All those in support? That’s carried.

I’ll call the question on sections 57 through to 71, as there are no amendments. All those in support? That’s carried.

Section 72: There’s a government motion. The clerk has advised me — it’s not through any brilliance on my part — that this motion is out of order. The option here is to vote against section 72. That’s procedurally the way it would be dealt with, unless there any comments from counsel or from Ms Ross. It’s your motion, your play.

Mrs Ross: Could we get some clarification on why it’s out of order, please.

The Chair: Section 72 is to be struck out, and the procedural way to deal with it is to vote against the motion, which is the amendment to delete the section, or you can withdraw the amendment.

With indulgence, I’ll give the clerk’s technical description here as I’m executing at the end of a very short leash.

Clerk of the Committee (Mr Tom Prins): Procedurally, if you didn’t want section 72 to stand as a portion of the bill, when the Chair calls the question, “Shall section 72 carry?” the members would vote no and it would no longer be a part of the bill. You can’t move a motion to strike a section.

Mr Sergio: I guess the other point would be, why would this motion be introduced in the first place?

The Chair: With indulgence, the Chair would just say that if you look at section 72, part V deals with the sale and lease of units. It is a section in which the government, I guess, on review of public input, as the bill is printed at this point, moved an amendment.

Mr Sergio: Are you withdrawing the motion, then?

The Chair: The amendment has not been moved. I’m just pointing out, procedurally —

Mr Sergio: It doesn’t have to be moved, but you have to dispose of it. So somebody has to either withdraw it or vote against.

The Chair: Let’s go about it. We have an amendment here. I would just ask Ms Ross: Do you care to move this amendment and then have it defeated?

Mr Gilchrist: Chair, with the greatest respect, call for any questions. If there are no questions on 72 —

The Chair: We haven’t even got an amendment moved.

Mr Gilchrist: There is no amendment. You’ve asked for questions on section 72.

The Chair: OK. That’s where we are. Are there any questions on section 72 of the bill? Seeing none, I’ll call the question on section 72. All those in support? All those opposed? Section 72 of the bill is defeated.

Thank you for that clarification, Mr Gilchrist.

Mr Gilchrist: My pleasure, Chair.

The Chair: You’re eminently qualified. We’re now at section 73.

Mrs Ross: I move that subsection 73(3) of the bill be amended by adding the following clause:

“(a.01) a table of contents prepared in accordance with subsection (3.1) and located at the beginning of the disclosure statement.”

The Chair: Are there any questions or comments? Seeing none, I’ll call the question. Those in support? That’s carried.

Mrs Ross: I move that clause 73(3)(1) of the bill be struck out and the following substituted:

“(1) a copy of the existing or proposed declaration, bylaws, rules and insurance trust agreement, if any.”

The Chair: I would ask the parliamentary assistant to clarify with counsel. The clerk advises me — the question is, is it 73(3) “one” or 73(3) “ell”? I believe it’s “ell.”

Mrs Ross: I’m sorry, it’s “ell.” You’re correct. Clause 73(3)(l).

The Chair: Any questions or comments? Seeing none, I’ll call the question. Those in support? That’s carried.

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Mrs Ross: I move that the English version of clause 73(3)(m) of the bill be amended by inserting “of” after “115 and” in the fourth line.

The Chair: Are there any questions or comments? Seeing none, I’ll call the question. Those in support? That’s carried.

Mrs Ross: I move that clause 73(3)(r) of the bill be struck out and the following substituted:

“(r) a statement setting out the fees or changes, if any, that the corporation is required to pay to the declarant or another person; and”

The Chair: Any questions or comments? Seeing none, I’ll call the question. In support? Carried.

Mrs Ross: I move that section 73 of the bill be amended by adding the following subsection:

“Table of contents

“(3.1) The table of contents in the disclosure statement shall be in the prescribed form, shall indicate whether the declaration, bylaws, rules or the proposed declaration,

bylaws or rules of the corporation or any other material in the disclosure statement deal with the following matters and, if so, shall indicate where the matters are dealt with:

"1. A statement indicating,

"(i) whether the corporation is a leasehold condominium corporation or a freehold condominium corporation, and

"(ii) if the corporation is a freehold condominium corporation, the type of freehold condominium corporation that it is.

"2. The property or part of the property is or may be subject to the Ontario New Home Warranties Plan Act or the proposed units and common elements are enrolled or are intended to be enrolled in the plan within the meaning of that act in accordance with the regulations made under that act.

"3. A building on the property or a unit or a proposed unit has been converted from a previous use.

"4. One or more units or proposed units may be used for commercial or other purposes not ancillary to residential purposes.

"5. A provision exists with respect to pets on the property or the proposed property.

"6. There exist restrictions or standards with respect to the occupancy or use of units or proposed units or the use of common elements or proposed common elements that are based on the nature or design of the facilities and services on the property or on other aspects of the buildings located on the property.

"7. A statement of the portion of units or proposed units, to the nearest anticipated 25%, that the declarant intends to lease.

"8. A statement whether the proportion, expressed in percentages, of the common interest appurtenant to any unit or proposed unit differs in an amount of 10% or more from that appurtenant to any other unit or proposed unit of the same type, size and design.

"9. A statement whether the proportion, expressed in percentages, in which the owner of any unit or proposed unit is required to contribute to the common expenses differs in an amount of 10% or more from that required of the owner of any other unit or proposed unit of the same type, size and design.

"10. A statement whether any unit or proposed unit is exempt from a cost attributable to the rest of the units or proposed units.

"11. Part or the whole of the common elements or the proposed common elements are subject to a lease or licence.

"12. A statement whether parking is allowed in or on a unit, on the common elements or on a part of the common elements of which an owner has exclusive use and a statement of the restrictions on parking.

"13. Any other statement specified in the regulations made under this act."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that clause 73(5)(g) of the bill be amended by adding at the end " , unless a turn-over meeting has been held under section 43."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on 73, as amended. All those in support? That's carried.

Section 74, there are no amendments. I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 75(2) of the bill be amended by striking out "or" at the end of clause (b), by adding "or" at the end of clause (c) and by adding the following clauses:

"(a.1) a substantial addition, alteration or improvement within the meaning of subsection 98(6) that the corporation makes to the common elements after a turn-over meeting has been held under section 43;

"(d) a change in the information contained in the statement described in subsection 162(1) of the services provided by the municipality or the Minister of Municipal Affairs and Housing, as the case may be, as described in that subsection, if the unit or the proposed unit is in a vacant land condominium corporation."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 75(3) of the bill be struck out.

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 75(4) of the bill be struck out and the following substituted:

"Contents of revised statement

"(4) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 75, as amended, I'll call the question. Those in support? That's carried.

No amendments to section 76. I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subclause 77(1)(m)(ii) of the bill be struck out and the following substituted:

"(ii) the amount in the reserve fund no earlier than at the end of a month within 90 days of the date of the status certificate, and"

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that clause 77(1)(q) of the bill be struck out and the following substituted:

"(q) a statement of the amounts, if any, that this act requires be added to the common expenses payable for the unit."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 77, as amended: All those in support? That's carried.

With sections 78, 79, 80, 81 and 82, there are no amendments. I'll call the question on all those sections. Those in support? That's carried.

Mrs Ross: I move that subsection 83(4) of the bill be amended by striking out the portion before clause (a) and substituting the following:

"Time of payment

"(4) The interest shall be paid to the purchaser by way of payment or set-off."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 83, as amended. Those in support? That's carried.

There are no amendments to section 84. I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 85(1) of the bill be struck out and the following substituted:

"Contribution of owners

"85. (1) Subject to the other provisions of this act, the owners shall contribute to the common expenses in the proportions specified in the declaration."

The Chair: Are there are questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 85, as amended. All those in support? That's carried.

Sections 86 through 89: There are no amendments. I'll call the question on those sections. Those in support? That's carried.

1130

Mrs Ross: I move that clause 90(4)(b) of the bill be struck out and the following substituted:

"(b) the standard unit described in the schedule mentioned in clause 43(5)(h), if the board has not made a bylaw under clause 56(1)(h)."

The Chair: Are there any questions or comments? There being none, I'll call the question. Those in support? That's carried.

I'll call the question on section 90, as amended. Those in support? That's carried.

I'll call the question on section 91, as there are no amendments. All those in support? That's carried.

Section 92, Mrs Ross.

Mrs Ross: I move that section 92 of the bill be amended by striking out the portion before clause (a) and substituting the following:

"Provisions of declaration

"92. The declaration may alter the obligation to maintain or to repair after damage as set out in this act by providing that."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mr Sergio.

Mr Sergio: I move that section 92 of the bill be amended by adding the following subsection:

"Telecommunications unit

"(2) Despite anything in this act, the owner of a unit that is designed to control, facilitate or provide telecommunications within the meaning of section 22 to, from or within the property, and not the corporation, shall repair the unit after damage and maintain it."

Again, Mr Chairman, this is self-explanatory and I won't add to it.

The Chair: Any questions or comments?

Mrs Ross: We'll be voting against this amendment, as we believe it's punitive and goes against the whole concept of shared ownership of a condominium.

The Chair: Any other questions or comments? I'll call the question on this amendment to section 92. All those in support? All those opposed? That's defeated.

I'll call the question on section 92, as amended. All those in support? That's carried.

Section 93.

Mrs Ross: I move that section 93 of the bill be amended by adding the following subsection:

"Same, maintenance of units

"(2.1) If an owner has an obligation under this act to maintain the owner's unit and fails to carry out the obligation within a reasonable time and if the failure presents a potential risk of damage to the property or the assets of the corporation or a potential risk of personal injury to persons on the property, the corporation may do the work necessary to carry out the obligation."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 93, as amended, I'll call the question. Those in support? That's carried.

Sections 94 through 97, there are no amendments. I'll call the question on all those sections. Those in support? That's carried.

Section 98.

Mrs Ross: I move that clause 98(2)(c) of the bill be struck out and the following substituted:

"(c) subject to the regulations made under this act, the estimated costs, in any given month or other prescribed period, if any, of making the addition, alteration, improvement or change is no more than the greater of \$1,000 and 1 per cent of the annual budgeted common expenses for the current fiscal year."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 98.

Mrs Ross: I move that subsection 98(4) of the bill be amended by striking out "66 \$ per cent" in the seventh line and substituting "66 2/3 per cent."

The Chair: Any questions or comments? I'll call the question. Those in support? That's carried.

I'll call the question on section 98, as amended. All those in support? That's carried.

Section 99.

Mrs Ross: I move that subclause 99(1)(b)(iii) of the bill be amended by inserting "made under this act" after "regulations" in the second line.

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 99, as amended. Those in support? That's carried.

Section 100.

Mrs Ross: I move that subsection 100(3) of the bill be struck out and the following substituted:

"Exclusion ineffective

"(3) An exclusion in the insurance required by this section is not effective with respect to damage resulting from faulty or improper material, workmanship or design that would be insured, but for the exclusion."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that clause 100(6)(b) of the bill be struck out and the following substituted:

"(b) the standard unit described in the schedule mentioned in clause 43(5)(h), if the board has not made a bylaw under clause 56(1)(h)."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 100, as amended. Those in support? That's carried.

I'll lump together sections 101 through 105, inclusive; there are no amendments. All those in support? That's carried.

Section 106.

Mrs Ross: I move that subsection 106(1) of the bill be amended by striking out "subsection (2)" in the first line and substituting "subsections (2) and (2.1)."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 106(2) of the bill be amended by striking out "If an owner or lessee of an owner" in the first line and substituting "If an owner, a lessee of an owner or a person residing in the owner's unit with the permission or knowledge of the owner."

The Chair: Are there any questions or comments? If not, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that section 106 of the bill be amended by adding the following subsection:

"Same, bylaw

"(2.1) The corporation may pass a bylaw to extend the circumstances in subsection (2) under which an amount shall be added to the common expenses payable for an owner's unit if the damage to the unit was not caused by an act or omission of the corporation or its directors, officers, agents or employees."

The Chair: Are there any questions or comments?

Mrs Ross: Mr Chair, I'd just like to make a comment. This amendment is a technical change which we're putting in as a result of the public hearings and comments made

by James Davidson of the law firm of Nelligan, Power, who appeared on behalf of the Ottawa chapter of the Canadian Condominium Institute. I just wanted to make that comment and read it into the record.

The Chair: A nice piece of information. Thank you for that comment. I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 106(3) of the bill be struck out and the following substituted:

"Owner's insurable interest

"(3) The amount payable by an owner under this section or as a result of a bylaw passed under this section constitutes an insurable interest of the owner."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question now on section 106, as amended. Those in support? That's carried.

Sections 107 through 112, inclusive: I'll call the question, as there are no amendments. All those in support? That's carried.

Section 113.

Mrs Ross: I move that section 113 of the bill be amended by adding the following subsection:

"Non-application

"(2.1) Subsection (1) does not apply to a telecommunications agreement within the meaning of section 22."

The Chair: Are there any questions or comments?

Mr Martin: I need some explanation as to why not.

Mrs Ross: It's a technical amendment. Subsection 22(9) has its own termination provisions for telecommunications agreements. It's already in under subsection 22(9).

The Chair: Is that the 10-year?

Mrs Ross: Yes.

The Chair: It's the 10-year clause, back further.

Any other questions or comments on this amendment? I'll call the question. Those in support? That's carried.

Section 113.

1140

Mr Sergio: I move that subsection 113(4) of the bill be amended by adding at the end "or section 22."

The Chair: Are there any questions or comments?

Mrs Ross: Basically, this goes back to the telecommunications agreements under section 22, and we again believe that 10 years is fair and reasonable as a result of the cost incurred.

Mr Sergio: A recorded vote, Mr Chairman.

Ayes

Martin, Sergio.

Nays

Ford, Froese, Gilchrist, Munro, Ross.

The Chair: I declare the amendment defeated.

I'll now call the question on section 113, as amended. All those in support? That section carries.

Section 114.

Mrs Ross: I move that section 114 of the bill be amended by adding the following subsection:

“Non-application

“(1.1) Subsection (1) does not apply to a telecommunications agreement within the meaning of section 22.”

Again, Mr Chair, just for clarification, it's a technical change because subsection 22(9) already has termination provisions for telecommunications agreements.

The Chair: Are there any questions or comments? I'll call the question.

Mr Sergio: Just a comment. There is the agreement, but of course the 10 years prevail.

Mrs Ross: Yes, that's correct.

The Chair: Mr Sergio, you're satisfied?

Mr Sergio: Yes.

The Chair: OK, I'll call the question. Those in support? That's carried.

I'll call the question now on section 114, as amended. All those in support? That's carried.

There are no amendments to section 115. I'll call the question. All those in support of section 115? That's carried.

Section 116.

Mrs Ross: I move that clauses 116(4)(a) and (b) of the bill be struck out and the following substituted:

“(a) a general account of the corporation, if the money was not received as contributions from owners to the reserve fund; or

“(b) a reserve fund account of the corporation, if the money was received as contributions from owners to the reserve fund.”

The Chair: Are there any questions or comments? Seeing none, I'll call the question. All those in support? That's carried.

Section 116, as amended: I'll call the question. All those in support? That's carried.

There are no amendments to sections 117 through 120. I'm going to call all of those together. All those in support? That's carried.

We're now dealing with subsection 121(4), which was one of the ones added this morning.

Mrs Ross: I believe there's clause 121(1)(b), Mr Chair.

The Chair: This is the amendment I'm dealing with, the one added this morning, 121(4). Isn't that right? Pardon me. Yes, 121(1)(b), you're right, sequentially.

Mrs Ross: I move that clause 121(1)(b) of the bill be amended by inserting “as of the date of that corporation's meeting” after “corporation” in the second line.

The Chair: Any questions or comments? If not, I'll call the question. All those in support? That's carried.

Mrs Ross: I move that subsection 121(4) of the bill be amended by striking out “under the seal of the corporation” in the sixth line.

The Chair: Are there any questions or comments? I'll call the question. Those in support? That's carried.

Section 121, as amended: All those in support? That's carried.

Section 122 has no amendments. I'll call the question. Those in support? That's carried.

Section 123.

Mrs Ross: I move that subsection 123(2) of the bill be amended by striking out “under its seal” in the fourth line.

The Chair: Are there any questions or comments? Seeing none, I'll call the question. All those in support? That's carried.

I'll call the question on section 123, as amended. All those in support? That's carried.

Section 124.

Mrs Ross: I move that subsection 124(8) of the bill be amended by striking out “under its seal” in the fourth line.

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 124, as amended. All those in support? That's carried.

Section 125.

Mrs Ross: Sorry, Mr Chair. Under subsection 125(3) we submitted two amendments. I'd like to ask the committee's indulgence to eliminate the one subsection 125(3) that was distributed earlier today because we will address it —

The Chair: This is the amendment you're speaking of, the two-line amendment?

Mrs Ross: Yes.

The Chair: Members of the committee, with permission, I guess this amendment is withdrawn. Is that right? Mrs Ross, you're the person with the phone here.

Mrs Ross: Mr Chair, also, further to that —

The Chair: Let's deal with them separately. This one here, this particular amendment, as we see it now, is withdrawn.

Mrs Ross: That's correct.

The Chair: OK, so that's dealt with.

Mrs Ross: The amendment that's before us, perhaps it would be best if I read it and then I'll —

The Chair: If you read the amendment and then you propose an amendment to that amendment, that would be the appropriate way.

Mrs Ross: I move that subsection 125(3) of the bill be struck out and the following substituted:

“Conveyance

“(3) When a sale takes place, the board shall deliver to the purchaser the following documents signed by the authorized officers of the corporation....” Mr Chair, I'm not sure what to do at this point. Those three words, “under its seal,” we'd like to eliminate.

The Chair: Just seeking support of the committee members, who have the amendment before them, we'd like to amend this before the amendment is moved, removing the three words “under its seal.” Are there any questions or problems with that? OK, then, we'll strike those out. Continue.

Mrs Ross: OK, just for the record:

“Conveyance

“(3) When a sale takes place, the board shall deliver to the purchaser the following documents signed by the authorized officers of the corporation: a deed and a

certificate in the form prescribed by the minister stating that the persons who, under subsection (2), are required to vote in favour of the sale or consent in writing to the sale have done so."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 125, as amended: I'll call the question. Those in support? That's carried.

Sections 126 through 130, we have no amendments. I'm going to call those together. All those in support? That's carried.

Section 131.

Mrs Ross: I move that subsection 131(1) of the bill be amended by inserting "a lessor of a leasehold condominium corporation" after "corporation" in the first and second lines.

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 131, as amended: All those in support? That's carried.

Section 132.

Mrs Ross: I move that subsection 132(1) of the bill be amended by inserting "a lessor of a leasehold condominium corporation" after "corporation" in the first and second lines.

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 132, as amended, those in support? That's carried.

Section 133.

1150

Mrs Ross: I move that subsection 133(6) of the bill be struck out and the following substituted:

"Fees and expenses

"(6) Each party shall pay the share of the mediator's fees and expenses that,

"(a) the settlement specifies, if a settlement is obtained; or

"(b) the mediator specifies in the notice stating that the mediation has failed, if the mediation fails."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on 133, as amended. All those in support? That's carried.

Section 134, there are no amendments. All those in support? That's carried.

Section 135.

Mrs Ross: I move that subsection 135(1) of the bill be amended by inserting "a lessor of a leasehold condominium corporation" after "declarant" in the third line.

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 135, as amended. All those in support? That's carried.

Sections 136 through 138, there are no amendments. I'll call the question on all those sections. Those in support? That's carried.

Section 139.

Mrs Ross: I move that clause 139(4)(b) of the bill be struck out and the following substituted:

"(b) references to a mortgagee of a unit shall be deemed to be references to a mortgagee of a common interest appurtenant to an owner's parcel of land mentioned in subsection 140(1); and."

The Chair: Any questions or comments? All those in support? That's carried.

Section 139, as amended, all those in support? That's carried.

Section 140.

Mrs Ross: I move that clause 140(2)(a) of the bill be struck out and the following substituted:

"(a) the common interest of an owner in the corporation attaches to the owner's parcel of land; and."

The Chair: Any questions or comments?

Mr Martin: Could we have some explanation of why this has been put in?

Mrs Ross: A portion of clause 140(2)(a) is being removed and incorporated into subsection 140(4), where it is more appropriately located.

The Chair: If there are no further questions, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 140(4) of the bill be struck out and the following substituted:

"Common interest preserved

"(4) Despite any other act, upon the sale of the parcel of land of an owner in a common elements condominium corporation or the enforcement of an encumbrance registered against the parcel, the common interest of the owner in the corporation is not terminated or severed from the parcel, but continues to be attached to the parcel."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 140(7) of the bill be amended by striking out "section 88" in the first line and substituting "section 87."

The Chair: Any questions or comments? Those in support? That's carried.

Section 140, as amended: All those in support? That's carried.

Sections 141 through 145, there are no amendments. All those together, all those in support? That's carried.

Section 146.

Mrs Ross: I move that clause 146(1)(b) of the bill be struck out and the following substituted:

"(b) except as provided in the regulations made under this act, the corporation is not a vacant land condominium corporation or a common elements condominium corporation."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Section 146, as amended: All those in support? That's carried.

If I could group together 147 and 148, as there are no amendments, all those in support? Those are carried.

Section 149.

Mrs Ross: I move that section 149 of the bill be amended by adding at the end "unless the declarant,

"(a) has completed all phases described in the disclosure statement; and

"(b) no longer owns any of the units in the phases except for the part of the property designed to control, facilitate or provide telecommunications to, from or within the property."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on section 149, as amended. All those in support? That's carried.

Section 150.

Mrs Ross: I move that clause 150(1)(a) of the bill be struck out and the following substituted:

"(a) a copy of the most recent disclosure statement delivered to a purchaser of a unit or a proposed unit in the corporation."

The Chair: Questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call the question on 150, as amended. Those in support? That's carried.

Sections 151, 152, 153, 154, 155, 156 and 157, there are no amendments. I'll call the question on all those sections. Those in support? That's carried.

Section 158.

Mrs Ross: I move that clause 158(1)(b) of the bill be amended by adding at the beginning "subject to section 159."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that clause 158(1)(c) of the bill be struck out and the following substituted:

"(c) subject to section 159, a certificate of an architect that the buildings included in the common elements have been constructed in accordance with the regulations and, if there are structural plans, a certificate of an engineer that the buildings have been constructed in accordance with the regulations."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

On section 158, as amended, I'll call the question. All those in support? That's carried.

Section 159.

Mrs Ross: I move that clause 159(1)(b) of the bill be amended by striking out the portion before subclause (i) and substituting the following:

"(b) the declarant provides to a person or body, including an approval authority, specified by the municipality in which the land is situated, or the Minister of Municipal Affairs and Housing if the land is not situated in a municipality, a bond or other security that is acceptable to the municipality or the minister, as the case may be, and that is sufficient to ensure that."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

I'll call section 159, as amended. All those in support? That's carried.

Section 160, there are no amendments. I'll call the question. Those in support? That's carried.

Section 161, there are no amendments. I'll call the question. Those in support of 161? That's carried.

Section 162.

Mrs Ross: I move that subsection 162(1) of the bill be struck out and the following substituted:

"Disclosure statement

"162(1) Before delivering the first disclosure statement mentioned in section 73, the declarant with respect to a unit or a proposed unit in a vacant land condominium corporation shall request from the municipality in which the land is situated or from the Minister of Municipal Affairs and Housing if the land is not situated in a municipality, a statement of the services provided by the municipality or the minister, as the case may be, including the construction and maintenance of roads."

The Chair: Are there any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

Mrs Ross: I move that subsection 162(3) of the bill be amended by inserting "within 30 days of making it" after "request" in the second line.

The Chair: Any questions or comments? There being none, I'll call the question. Those in support? That's carried.

I'll move the question on section 162, as amended. All those in support? That's carried.

Sections 163 through 171, there are no amendments. I'll call those sections together. All those in support? That's carried.

Section 172.

Mrs Ross: Mr Chair, I wonder if we could call for a few minutes' recess so we could review this amendment.

The Chair: Could we stand that down and deal with the other sections? There are only a couple of other little sections. Is that appropriate?

Mrs Ross: Sure.

The Chair: We need unanimous consent of the committee to do that. That's fine. Section 172 is stood down for the moment.

Mrs Ross: I'm sorry, Mr Chair. I'd like to stand down 172, 174 and 176.

The Chair: We need unanimous consent of the committee to stand down those sections. All those in support? Mr Martin, are you in support? Yes? OK, thank you.

We're now dealing with section 178 and we've stood down — oh, section 173, there are no amendments, so I'll call the question on section 173. All those in support? I thank the clerk for keeping me on track here. Where are we now?

We're at 175. There are no amendments, so I'll call the question on 175. That's carried.

Section 176 was stood down.

Section 177, all those in support? That's carried.

Section 178.

Mrs Ross: I move that subsection 178(1) of the bill be amended by adding the following paragraph:

"2.1 specifying requirements for the construction of the buildings described in a description for the purpose of a certificate mentioned in clause 8(1)(e) or 158(1)(c)."

The Chair: Any questions or comments? If not, all those in support? That's carried.

Mrs Ross: I move that paragraph 3 of subsection 178(1) of the bill be amended by striking out "an information statement" in the fourth line and substituting "a table of contents."

The Chair: Any questions or comments? Seeing none, I'll call the question. Those in support? That's carried.

On section 178, as amended, I'll call the question. All those in support? That's carried.

Section 179, no amendments. I'll call the question. Those in support?

There is a vote being called in the House. There are three minutes. I would adjourn until after the vote. I'm at the will of the committee here. I gather the committee has to reconvene this afternoon. We're almost finished. I declare this meeting adjourned until the scheduled time this afternoon. Thank you very much for your indulgence.

The committee recessed from 1203 to 1617.

The Chair: I'll reconvene this committee, dealing with Bill 38. At this point we're at section 179. I believe we completed section 179; it's been voted on. All right, just to be sure, the clerk informs me that we should call the question on section 179, with no amendments. All those in support? That's carried.

Section 180.

Mrs Ross: I move that subsections 180(1) and (2) of the bill be struck out and the following substituted:

"Same, turnover

"180. If the corporation was created under the Condominium Act, being chapter C.26 of the Revised Statutes of Ontario, 1990, section 43 does not apply and section 26 of that act, as it existed immediately before the coming into force of section 185, continues to apply."

The Chair: Any questions or comments? There being none, I'll call the question. All those in support? That's carried.

We've got to carry the question on 180, as amended. All those in support? That's carried.

Section 181.

Mrs Ross: I move that subsections 181(1) and (2) of the bill be struck out and the following substituted:

"Same, disclosure

"181(1) If, on or before the day sections 44, 73 to 76 and 79 to 83 come into force, the declarant with respect to a corporation has entered into one or more agreements of purchase and sale for a unit or proposed unit in the corporation,

"(a) those sections do not apply; and

"(b) subject to subsection (2), sections 51 to 54 of the Condominium Act, being chapter C.26 of the Revised Statutes of Ontario, 1990, except for subsection 52(5) of that act, as those sections existed immediately before the coming into force of section 185, continue to apply.

"Not a material amendment

"(2) For the purposes of subsection 52(2) of the Condominium Act, being chapter C.26 of the Revised Statutes of Ontario, 1990, a change to the information required to be contained in a disclosure statement that arises only as a result of the coming into force of this act does not constitute a material amendment to the disclosure statement."

The Chair: Are there any questions or comments? There being none, I'll call the question. All those in support? That's carried.

I'll call the question on section 181, as amended. All those in support? That's carried.

Section 182.

Mrs Ross: I move that section 182 of the bill be struck out and the following substituted:

"Same, insurance

"182(1) If, at the time section 100 comes into force, the corporation has entered into an insurance policy under section 27 of the Condominium Act, being chapter C.26 of the Revised Statutes of Ontario, 1990, that has not expired, section 100 does not apply and section 27 of that act, as it existed immediately before the coming into force of section 185, continues to apply."

"Act applies to renewals

"(2) Despite subsection (1), section 100 applies if the corporation renews an insurance policy described in that subsection after section 100 comes into force."

The Chair: Any questions or comments? There being none, I'll call the question. All those in support? That's carried.

I'll move section 182, as amended. All those in support? That's carried.

Section 183.

Mrs Ross: I move that section 183 of the bill be struck out and the following substituted:

"Same, termination of agreements

"183. If the corporation has entered into an agreement described in sections 112 and 113 before those sections come into force, those sections do not apply and section 39 of the Condominium Act, being chapter C.26 of the Revised Statutes of Ontario, 1990, as that section existed immediately before the coming into force of section 185, continues to apply."

The Chair: Any questions or comments? There being none, I'll call the question. All those in support? It's carried.

I'll move section 183, as amended. All those in support? That's carried.

Sections 184, 185, 186, 187, 188, inclusive: There are no amendments. I'll call the question. All those in support? That's carried.

Section 189 is the short title. Shall Section 189 carry? Carried.

Now we have a stood-down section. I believe the section stood down was section 172. These are the sections that were stood down: 172, 174 and 176.

Mrs Ross: I move that section 172 of the bill be struck out and the following substituted:

"Rent for property

"172(1) The rent for the property that a leasehold condominium corporation is required to pay to the lessor on behalf of the owners and all other amounts necessary to comply with the provisions of the leasehold interest affecting the property are a common expense.

"Contribution of owners

"(2) The corporation shall collect from each owner, as part of the owner's contribution to the common expenses, a portion of the rent and the amounts described in subsection (1) based on the proportion of contributions to the common expenses for the owner's unit set out in the declaration.

"Payment to lessor

"(3) The corporation shall remit to the lessor, from the contributions collected from the owners under subsection (2), the amounts to which the lessor is entitled under the provisions of the leasehold interest affecting the property."

The Chair: Are there any questions or comments? There being none, I'll call the question. All those in support? That's carried.

Shall section 172, as amended, carry? All those in support? That's carried.

Section 174 was stood down.

Mrs Ross: I move that clause 174(2)(a) be struck out and the following substituted:

"(a) has failed to remit to the lessor the amounts to which the lessor is entitled under the provisions of the leasehold interest affecting the property."

The Chair: Are there any questions or comments? There being none, I'll call the question. All those in support? That's carried.

Shall section 174, as amended, carry? That's carried.

Section 176.

Mrs Ross: I move that subsection 176(1) of the bill be amended by striking out the portion before clause (a) and substituting the following:

"Effect of termination or expiration

"176(1) In the case of a leasehold condominium corporation, upon the registration of a notice of termination under section 123 or 124, the registration of a deed to the property under section 125, expropriation under section 127, the registration of an order under section 129 or 174 (or such other date, if any, specified in the registered order) or the registration of a notice under section 175 that the leasehold interests in the units have not been renewed (or such other date, if any, specified in the registered notice)."

The Chair: Are there any questions or comments? There being none, I'll call the question. All those in support? That's carried.

I'll call the question on section 176, as amended. All those in support? That's carried.

Mrs Ross: Mr Chair, I would ask for unanimous consent. I have three clauses which I'd like to go back to, if I could get unanimous consent, to have a look at these amendments again.

The Chair: These are amendments to sections that have been voted on. I would need unanimous consent of

the committee members to open up those sections, and we'll distribute the —

Mr Martin: In the interest of not dragging this out for another three weeks, I'm willing to do that, but I must say it's somewhat frustrating in that we have people whom we work with to help us understand some of these things. Some of it's very technical and it's not something that I deal with every day. It's frustrating that there are changes coming at us at the last minute. I'm willing, in the interest of getting this thing through, but I just need to say on the record that this is a frustrating thing to have to —

The Chair: I appreciate that, Mr Martin. It's a very technical bill, as you're quite right to point out, for the committee members. I appreciate your indulgence.

Mr Mike Colle (Oakwood): What has happened? How come something that has been voted on the other day is now coming back again?

Mrs Ross: There are three amendments which legal counsel has looked at and suggested that we should go back and clarify some of the issues that were raised and to make very clear to people, so that they understand exactly what was meant by the clauses in the bill.

If I could ask your indulgence to go through the first one, then perhaps I could explain why we would do that.

The Chair: I believe we're dealing with section 33. We have an amendment in front of us. If you want to read the amendment first — and I need unanimous consent, section by section. So we're opening section 33 to amendments. I need unanimous consent.

Mr Colle: I'm just wondering, are we going to have legal counsel answering some of these questions, because it's quite unusual why this is happening.

Mrs Ross: Sure.

The Chair: Once you read the motion. Unanimous consent first. All those in support? That's unanimous.

Mrs Ross: I move that subsection 33(1) of the bill, as amended by the government motion, be further amended by striking out "the units" in the fifth line and substituting "all of the units in the corporation."

By way of explanation, it was felt that if you just left it as "the units" it would leave it open to that if you only had a number of people at the meeting it would be the number of people represented by those units as opposed to the number of units in the corporation. We wanted to ensure that it was clarified that it meant all of the units in the condominium, not just those in attendance at the meeting.

Mr Colle: Just relating to that one condominium corporation, that would refer to everyone and all units in that condominium corporation and not just those present, because you feel that would be open to possible interpretation as limiting to those people who were there?

Mrs Ross: Absolutely, and for clarification on it, Nancy will respond.

Ms Sills: Under the current case law, they say that it's 50% of the people at the meeting and not 50% of all the owners in the condominium. These are two provisions dealing with removal of directors and it has always been felt that for that type of an action it should be a fairly high level of approval.

Mr Colle: And not just the people who are there at that specific meeting called.

Ms Sills: Not just 50% of the people who come out at the meeting. We drafted this section to address that issue and we heard from a stakeholder yesterday who feels that it didn't go far enough.

Mr Colle: To specify.

Ms Sills: Yes, and suggested that we should do something more. We're trying to respond to that because there is a great deal of concern about this issue.

Mr Colle: That's fine. Thank you for the explanation.

The Chair: I appreciate the explanation myself, because it extends from "the units" to "all the units." So I appreciate that.

We have before us this motion. I'll call the question on this amendment. All those in support? That's carried.

Shall section 33, as further amended, carry? That's carried.

I would ask members to go to the amendment dealing with section 51 and seek unanimous consent to open section 51. All those in support? I appreciate that, thank you.

Mrs Ross: I move that subsection 51(8) of the bill, as amended in the government motion, be further amended by striking out "the owner-occupied units" in the fourth line and substituting "all of the owner-occupied units in the corporation."

It's the same reasoning as in the previous motion.

The Chair: Thank you for that explanation. Are there any questions or comments? There being none, I'll call the question on the amendment. All those in support? That's carried.

Shall section 51, as further amended, carry? Carried.

I seek unanimous consent on section 150 to open that. All those in support? Thank you.

Mrs Ross: I move that clause 150(1)(a) of the bill, as amended by the government motion, be struck out and the following substituted:

"(a) a copy of the disclosure statement delivered to a purchaser of a unit in the corporation most recently before the registration of the declaration and description."

The Chair: Are there any questions or comments?

Mr Colle: Just a brief explanation of the change.

Mrs Ross: Actually, this reverts back to our original clause in the bill. The initial amendment was intended to provide the corporation with the most current disclosure information. However, the amendment that was made might impact on the corporation's ability to decide

whether to apply for an injunction to prevent — this is with respect to phased condominiums. So with respect to the phase, the corporation should have the disclosure statement issued just prior to the initial creation of the condominium for comparison purposes. It was felt that if they didn't get them, if they only got the most current disclosure without having the previous one, they wouldn't know if there were any changes made to the disclosure.

Mr Colle: In other words, they would have both available to them.

Mrs Ross: That's correct.

Ms Sills: Well, they will have the original disclosure —

Mr Colle: The original, which they have had, and now this will also be available to them. I'm not quite sure about what you mean by "both."

Ms Sills: As long as they have the first disclosure statement, they won't need the most recent one, because they're going to get a copy of the amendments that the declarant is proposing to register. So they will compare the amendments to what was initially disclosed to everybody.

Mr Colle: I understand that. Thank you.

The Chair: Any further questions or comments? There being none, I'll call the question on this amendment. All those in support? That's carried.

Shall section 150, as further amended, carry? Carried.

Thank you for that. We're down at the very end here, a couple of small sections.

The question here is more to do with the title. Shall the long title of the bill carry? All those in support? Carried.

Shall Bill 38, as amended, carry? That's carried unanimously.

Shall I report this bill, as amended, to the House? That's carried.

With that, there is no further business for this meeting.

Mrs Ross: Mr Chair, if I could make a comment, I want to thank the opposition members for their indulgence in those last three amendments. I apologize, but we did feel it was necessary to bring them forward to make sure that everything is very clear.

The Chair: I would like to thank all of those who participated, because it is a very technical bill. I appreciate the deputations and the amendments and the indulgence of the committee members.

With that, this committee stands adjourned.

The committee adjourned at 1634.

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Official Report of Debates (Hansard)

Monday 16 November 1998

Journal des débats (Hansard)

Lundi 16 novembre 1998

**Standing committee on
general government**

Apprenticeship and
Certification Act, 1998

**Comité permanent des
affaires gouvernementales**

Loi de 1998
sur l'apprentissage
et la reconnaissance
professionnelle



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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Monday 16 November 1998

Lundi 16 novembre 1998

*The committee met at 1006 in committee room 1.*APPRENTICESHIP AND
CERTIFICATION ACT, 1998

LOI DE 1998

SUR L'APPRENTISSAGE ET LA
RECONNAISSANCE PROFESSIONNELLE

Consideration of Bill 55, An Act to revise the Trades Qualification and Apprenticeship Act / Projet de loi 55, Loi révisant la Loi sur la qualification professionnelle et l'apprentissage des gens de métier.

The Chair (Mr John O'Toole): I'd like to welcome everyone to the hearings on Bill 55. We're starting fairly aggressive four-day hearings across the province.

STATEMENT BY THE MINISTER
AND RESPONSES

The Chair: Our first deputation this morning will be the Minister of Education. Welcome, Minister.

Hon David Johnson (Minister of Education and Training): Thank you very much, Mr Chair. I'm pleased to have the opportunity to kick off the public hearings with regard to Bill 55. That, as we know, is the Apprenticeship and Certification Act, 1998.

If it is passed in its present form, this bill would provide a legislative framework for a revitalized apprenticeship training system in Ontario. Apprenticeship training is a key element to Ontario's training system. By helping build a skilled workforce, apprenticeship helps attract investment that results in new business and jobs in our province.

There is a need for change. Ontario's apprenticeship system has not been achieving its full potential. There are skill shortages in a number of industries; manufacturing and construction are two examples. There are not enough apprentices to help employers keep pace with global competition or to replace a workforce that is aging. Many of the partners involved in apprenticeship training — business, unions, training deliverers — have called for reforms to increase the effectiveness of the system.

Studies by the past two governments reported that the apprenticeship system needs to be more responsive to the training needs of employers. The present system is governed by rigid legislation and a regulatory framework. It is not flexible enough to meet current industry training

needs or to allow apprenticeship training to expand to new jobs and industries. A more flexible approach is essential. This kind of approach will maintain those parts of the system that work today while at the same time ensuring that training keeps pace with change and serves the needs of emerging industries.

I'd like to talk a little bit about the goals of apprenticeship reform. Our goal is to strengthen skills training. We intend to double the number of new apprentices entering the system from 11,000 currently to 22,000 on an annual basis. We must encourage more employers to train and ensure that there are standards in place for all apprentices in all workplaces.

The strength of apprenticeship training is that it is a reality-based approach. Training is in the workplace. Apprentices are guided by experienced workers to learn how to do the job right, and this will not change. What will change is that Bill 55 would give employers and apprentices a transparent and accountable framework for training. Bill 55 will continue to provide a legislative framework for more intensive training that will be a guarantee of quality and safety.

For example, the current legislation requires an apprentice to spend a specified amount of time with a tradesperson. However, there are no defined performance measures. There are no learning outcomes. We believe apprentices, co-workers, employers and consumers deserve better. We intend to work with industry to create a more rigorous training system in which apprentices tackle clear learning benchmarks that are set by the employers and workers in the trade. Bill 55 would provide a legislative framework that would allow us to achieve that goal. It was developed through widespread consultation with partners in apprenticeship training.

I want to talk a bit about the consultation. In December 1996, the Ontario government announced a review of the apprenticeship training system. At the same time, a discussion paper was sent to 2,500 participants in apprenticeship training. That included employers, apprentices, skilled workers, industry associations, unions, colleges, school boards, trainers and many others. Within weeks of distributing the paper, we received about 450 responses from all major industries and regions. At the same time, the parliamentary assistant for training, Mr Smith, whose efforts I wish to recognize and who has been very instrumental in this reform, held 16 meetings with 125 representatives of different groups with an interest in apprenticeship. Ministry staff also conducted a telephone survey of more than

1,200 apprentices, skilled workers and people who had left the program before completing their training. A summary of this consultation was released in September of last year, just over a year ago.

I announced the government's vision for a new apprenticeship training system in January of this year at an auto parts factory in Newmarket. As an example of the need for training reform, the owner — actually, dual owners, brothers — of that particular plant told me that they'd had to turn away contracts because they did not have enough skilled workers.

Following the announcement, ministry staff discussed this vision with a wide range of training partners. Staff have met with the Automotive Parts Manufacturers' Association, the Council of Ontario Construction Associations, the Labourers' International Union of North America, the millwright regional council of Ontario, the Provincial Building and Construction Trades Council of Ontario, the Association of Colleges of Applied Arts and Technology of Ontario, and representatives of the provincial advisory committees. The legislation which was introduced in June of this year reflected the advice we were given during these meetings. During the summer, ministry staff continued to meet with training partners. Some of them included the Ontario Federation of Labour, the Canadian Auto Workers union and college and non-college delivery agents.

Today we embark on public hearings. I want to talk a little bit about greater responsibility of industry for training. Our goal is to create a more rigorous system of training and build on the examples of excellence that already exist in the system. Government is a partner with apprentices, employers and workers, educators and trainers. It creates the conditions for good apprenticeship training. Its role is to ensure that legislation is appropriate, to regulate the training system and to certify skills. The government's role should be to ensure that the framework for a training system is effective and is accountable and is fair. That is a responsibility my ministry is proud to continue.

But the training system must be driven by industry. Apprenticeship is a workplace-based approach to training. It must be driven by employers and workers. This commitment is written into the legislation.

The current act gives the Minister of Education and Training the power to appoint provincial advisory committees with a mandate to advise on all issues pertaining to apprenticeship. These committees are led by employers and workers. During our consultations, all partners strongly supported the idea of increased industry involvement in apprenticeship training. Most agreed that the provincial advisory committees could perform this function.

Industry asked for greater responsibility. We listened and we acted on what we heard. If passed by the Legislature, Bill 55 would establish clear responsibility for industry through committees representing a skilled occupation or a series of skilled occupations. These committees would advise the minister and ministry with respect to apprenticeship programs and the qualifications required for occupations and skill sets. They would develop and

revise apprenticeship programs for approval by the ministry, including curricula, training standards and examinations. They would promote high standards in the delivery of apprenticeship training and promote apprenticeship as a method of acquiring occupational skills. They would also listen to the industry or industries they represent. Finally, they would consider recommendations from apprentices and other people who work in the occupation. Bill 55 would give clear instruction to industry to take greater responsibility for training.

In terms of education entry requirements, perhaps I could give an example. During debate on Bill 55, I heard discussion of what should be a minimum education for apprentices. Earlier this year I met with members of the provincial advisory committee for the machining and tooling trades. These are the employers and workers who are the backbone of the auto parts and aeronautics industries. Employers on that committee told me they would only hire apprentices with at least a grade 12 education or more. That makes a good deal of sense when you consider the responsibility given apprentices to achieve high-quality work, often using highly sophisticated and expensive technology.

Of all apprentices, fewer than 6% have less than grade 12 education. The current general regulation for apprenticeship training sets grade 10 as the minimum education for apprentices. All major partners in the system told us this is not appropriate. A low minimum education for training gives students, parents and teachers the idea that there is no creative or intellectual challenge to apprenticeship training or careers in skilled trades.

At the same time, a higher minimum education may present a barrier to other potential apprentices. Adult workers with relevant work experience could be barred. Students participating in the Ontario youth apprenticeship program would need a regulatory exemption.

In today's training system, different industries have set different educational requirements. For example, today the educational requirement for brick and stone masons is grade 8; for hairdressers the requirement is grade 9.

There is no minimum education in the current legislation. Perhaps I should say that again, because that has sometimes been confused: There is no minimum education in the current legislation. The minimum is set in general regulation. In Bill 55, we propose that employers and workers should establish realistic entry requirements for their individual trades. The skills required to be a leading baker may not be the skills required to plan and lay cabling for a network of personal computers, or to design moulds for the aeronautics industry, or to plan and lay a terrazzo floor. Each industry should set the minimum education standards effective to meet its training needs.

Talking about regulating training rather than employment now for a few minutes, another example is wages. When the current legislation was passed in 1964, over three decades ago, apprentices were exempt from minimum wage legislation. Since then, minimum wage legislation has been extended to include apprentices. In most industries, including construction, the wages of appren-

tices are already determined by collective agreements or between the employer and their apprentices. In many cases the wages negotiated are higher than those determined by regulation in the present legislation. Quality training is not determined by legislated wage rates.

We chose to follow the example of employers and workers in construction. We chose to put into legislation a recognition of the importance of sponsors to ensure quality training is provided. Yes, the sponsor could be an employer. The sponsor could also be a group of employers or employers and workers in partnership. If passed as presented, Bill 55 would provide employers and workers in different industries the choice to make use of an approach that has served the construction industry well.

1020

In terms of quality and safety, if passed as presented, Bill 55 would focus on a sponsor's capacity to train. This is a more effective guarantee of quality training than the system of ratios in current regulations. Effective apprenticeship training is about appropriate levels of supervision. We propose that employers and workers agree together on the essential criteria and requirements to determine the suitability of a workplace trainer.

Current legislation requires an apprentice to spend a specified amount of time with a tradesperson. This relationship is based on time alone. There are no defined performance measures or learning outcomes. There is no guarantee of effective training. In some industries it is not uncommon for apprentices to be isolated on one work site while the experienced tradespeople work at another, despite existing regulations determining ratios of skilled workers to apprentices.

Let me give you one example of the current ratio system. In iron work, there is a one-to-one ratio for the first apprentice. When a second or more apprentices are added, the ratio becomes one to seven. You have to ask whether this ratio is constructed to focus on quality training or whether other factors are at play. Apprentices, workers, employers and consumers deserve better.

If Bill 55 is passed as presented, we would work with employers and workers to create a more rigorous training system. Bill 55 would help create a system where apprentices would tackle clear learning benchmarks set by employers and workers. Employers and workers would determine the ratio of skilled workers to apprentices for their specific trade to ensure quality and safety. Penalties for non-compliance would be significantly increased to be consistent with those under the Occupational Health and Safety Act. Penalties could be charged to a maximum of \$25,000. Federally regulated workplaces and hairstyling businesses would also be included.

In addition, Bill 55 would allow the growing number of self-employed workers to participate in apprenticeship training. Self-employed apprentices could be registered by demonstrating that they would receive training from a qualified trainer or sponsor. For example, the owner of a business could hire a certified skilled worker and be an apprentice to that worker. This is one example of how Bill 55, if passed as presented, would ensure quality training

by providing employers and workers the choices that better match the reality of today's workplaces. Trusting the employers and workers who have built the system over the last 30 years, as well as ensuring a fair set of penalties, would provide an effective framework to take the apprenticeship system into the new millennium.

Let me give you a further example of why employers and workers should take greater responsibility for training. Under the current legislation, all apprenticeship trades are designated compulsory. This means only certified workers or registered apprentices can work in those trades. In reality, regulations attached to the current legislation exempt most apprenticeship trades from compulsory status. As a result, there are no clear criteria why one trade is compulsory and another is not. Bill 55 would give employers and workers the responsibility to determine what skill sets in their trade should be restricted out of concern for safety and quality. This approach would provide greater flexibility for the introduction of new skilled occupations and would expand apprenticeship training to new jobs and industries. Indeed, there is the potential for more certification of skills than is available under the current system.

I want to talk a little bit about the Ontario youth apprenticeship program. Earlier this year, I announced \$1.4 million in funding for the Ontario youth apprenticeship program. This money will help school boards create programs for high school students to begin to train for an apprenticeship while they are actually completing their schooling. Our program is designed to allow young people who want to pursue a trade to do so as they complete their high school program.

During consultations we heard from all groups about the importance of promoting apprenticeship training to the young people of Ontario. Jobs in skilled trades provide challenging work and a good career. Top performers in many skilled trades can earn from \$40,000 to more than \$100,000 a year depending on overtime and bonuses. Employers in a variety of industries need to find skilled workers so that they can keep pace with our expanding economy. In some trades a large number of workers are close to retirement. In the auto parts industry, for example, more than one third of workers will retire in the next 10 years. At the same time about 13% of our young people are looking for work.

Unfortunately, many young people are not aware that apprenticeship training is available or that apprenticeship can lead to a good career in a skilled trade. Employers, workers, educators and the Ontario government all want to change that situation. We heard from groups such as the Canadian Tooling and Machining Association and the cook and baker provincial advisory committees requesting support for co-op training to help young people learn about skilled trades.

My announcement in June will help double the number of young people in the Ontario youth apprenticeship program, up to 2,000 from 1,000 at the current time. If passed as presented, Bill 55 would remove the red tape, helping this program to work even better. Minimum age

requirements in some regulations create a barrier to prevent students from working towards an apprenticeship while completing their high school education.

Some industries have worked with educators to find creative solutions. The Ontario youth industrial apprenticeship program in Durham region is one example. About a hundred young people have found work as apprentices through this program. Supported by local employers of tool and die apprentices and auto service technical apprentices, this program is a successful collaboration between employers, local school boards and the local college, the federal government and the government of Ontario. Encouraging youth to participate in apprenticeship training while finishing high school will ensure a new generation is ready to take the place of workers who are nearing retirement in manufacturing, construction and other industries. New young apprentices will give our employers the competitive edge they need in today's global marketplace.

In conclusion, Bill 55 would play an important role in Ontario's plans to further training services and to reform the apprenticeship training system. We cannot effectively compete in a global marketplace if our training legislation dates from the 1960s. We cannot afford to stand still. We must reform our apprenticeship training system. The last 30 years have brought tremendous change to the workplace. We cannot go back to the 1960s to find a training solution for the 1990s. A 30-year old act is not flexible enough to ensure apprenticeship training can expand to serve new occupations and new industries as well as keep pace with the change in existing occupations.

The apprenticeship partnership will survive if we listen to what we have heard in consultation, that we must rely on the people who have worked in the system for 30 years who have the expertise to help us develop a better training system. Government cannot effectively regulate different industries with the same regulations. In order for the partnership to work, we must allow industry to recommend the best way to proceed in each circumstance so that we can create the right conditions to attract new young people to these skilled trades. We've listened to the advice we've received in consultation in developing this legislation, and I look forward to the advice we receive in this committee.

The Chair: Thank you very much, Minister. I appreciate your opening comments, right on schedule. We have —

Mr David Caplan (Oriole): Mr Chair, on a point of order: In the minister's comment he said — he didn't identify the section but section 4 gives the minister the power to appoint these provincial advisory committees on all issues pertaining to apprenticeship. That language is not in the legislation, and I would give this opportunity to the minister to correct his statement.

The Chair: Each caucus will be given 15 minutes to make their points and summarize. I'm certain, Mr Caplan, you can make that point during your presentation.

Mr Caplan: I understand, but a point to correct the record is always in order, I would hope, Mr Chair.

1030

Hon David Johnson: If I do have any more time, I would like to comment on a letter — I'm sure the opposition will have their say — I was pleased to receive. I guess the standing committee has received a letter from the Provincial Consultative Standing Committee and the co-chair has written, "It has come to our committee's attention that Bill 55 is about to become law by third reading." They may be a little ahead there. We're in public hearings so I can't speak for how he has termed the letter.

He says: "Having reviewed the document may I offer support for the new legislation and its inherent flexibility. Above all, and as employability skills of Conference Board of Canada has shown so clearly, today's marketplace reality is that very flexible and multiple alternative approaches to skills training are strongly needed." That perhaps summarizes what Bill 55 is all about.

The Chair: Thank you, Minister. With that, each party will be given 15 minutes in which to summarize an overview of the legislation, and I will start with the Liberal caucus.

Mr Caplan: At the very outset I will tell you that I and my party will be opposing this legislation as it is written. I'd like to take this time to express my disappointment that committee hearing time has been so incredibly limited. I'm distressed that after we had an agreement in subcommittee to travel to Hamilton, the government members of this committee changed that agreement to suit themselves, I assume, and Hamilton was taken off the list. I'm also quite disappointed that in a location like Toronto, which has the greatest number of apprentices, we have the fewest number of participants in these hearings. I think that's a very disappointing turn of events.

I'm going to talk about the consultation process. I did hear the minister talk a little bit about that aspect. Then I'll be commenting on the bill itself. In the consultation process, and I think the minister is correct, December 1996, the government issued a discussion paper and said it wanted to consult with all the stakeholders who wanted to talk to the apprentices and folks in the apprenticeship system. After the consultation was complete, the participants were informed that they would be given a report regarding the results in the near future.

In the meantime, the government leaked a report called *New Directions* signed off by nine assistant deputy ministers. What was in this document? The document outlined changes that were widely criticized by practically all stakeholders and participants in the process that had just taken place. What did they criticize? They criticized the elimination of minimum educational requirements; they criticized the removal of full trade certification; they criticized the imposition of tuition fees; they criticized the elimination of a two-year minimum educational requirement for apprenticeship.

What did the government do? In their next step they said they would continue to consult and they would continue to talk because the legislation had yet to be written and had yet to be introduced. In good faith the stakeholder

groups gave their input again. They said: "Don't impose tuitions; don't remove the minimal educational standards, in fact raise them; don't eliminate the two-year minimum educational component for apprenticeship and training." Then the minister went up to Newmarket on January 19 of this year, and this is what he said: "We will be imposing tuitions; we will be deregulating wages; we will be eliminating the minimum educational requirements," everything that the stakeholder groups, employers and employee groups, the skilled trades, journeypeople and apprentices told them not to do.

Mr Johnson said: "Don't worry. Tell me your concerns. The legislation isn't written yet. Changes can still be made." In good faith, the groups went back and said: "OK, we're going to give you some input again. Don't impose tuitions; don't remove the minimum educational standards, in fact raise them; don't eliminate the two-year minimum program for apprentices." On the last day in the spring that the House was sitting, the government tabled legislation, and what did it contain? Once again: "We're going to impose tuition fees; we're going to remove the wage provisions; we're going to eliminate the minimum educational requirements," everything that the stakeholders, everything that employers, everything that journeypeople, everything that apprentices had told them not to do. So much for this government and this minister listening.

Perhaps the government members, perhaps all members will want to take notice of what the auditor said in his 1998 report, and I'll quote his report: "In order to improve the apprenticeship program administration and results, the ministry should consider upgrading the level of education and skill required for entry into the program." Remarkable, isn't it? What all of the stakeholders have said is backed by what the auditor has said in his report, the exact opposite of what this government has done.

Let's talk about what is contained in Bill 55, a rather short piece of legislation. I think the word that the minister used was "flexible." For such a small number of pages, I believe nine pages, it does contain quite a bit. It deregulates the mandated wage for apprentices, which right now is contained in the provisions of the existing legislation. What this bill will do is allow for wage rates to be set by employer and employee negotiation. The real concern is that wage rates will drop to as low as minimum wage, because how or what ability to negotiate do apprentices really have with employers? I would say very little.

Also of concern is that the average age of a person entering an apprenticeship program is 27. The real concern here is that people won't be able to afford to continue because of their financial obligations if they're going to be making minimum wage. They have families, they have to pay mortgages, and often there's a great deal of transportation required to be involved in one of the trades.

There are also some changes in the language, and one of the changes regards the role of the provincial advisory councils. The minister said that Bill 55 creates these advisory councils; in fact they already exist. Bill 55

merely rewrites some of the provisions. It was the previous bill, not this bill, which says, and I quote: "It gives the PACs, the provincial advisory committees, an advisory role on all issues pertaining to apprenticeship." Bill 55 says, and it changes the wording too, and I quote: "promote high standards in training and apprenticeship training." The previous piece of legislation allowed industry, allowed stakeholder groups to comment on all aspects of apprenticeship and training; this piece of legislation limits that. Very interesting. There's no real meat to that role. What does "promote high standards" mean?

The minister says that they're going to be getting a larger role in the design and delivery, that that will be set out in regulations to be followed. The minister is saying, "Trust me"; in fact this bill has "Trust me" written all over it. But I must tell you I am supportive of a stronger role for the industry and for the trades. I am quite an advocate of that and I'll be proposing amendments to this bill that will ensure that their role is formalized in legislation and not yet-to-be-drafted "Trust me" regulations.

When the consultations happened, the PACs thought they would be getting some real powers in terms of enforcement of standards. We know that this minister in this government is not serious about giving them a real role. We know this minister in this government is not serious about accepting their recommendations.

Bill 55 also changes from employers to what they call sponsors of training. It removes the role of the former local apprenticeship committees, and the worry here is, who is going to be a sponsor of training? Will it be a municipality looking to put individuals into their workfare projects and call them apprentices? People who are working as trades right now or as apprentices right now could go through the municipalities and in fact earn less than minimum wage.

Would it be school boards? Would they now be able to be sponsors of training with the Ontario youth apprenticeship program and apprenticeship will now become a co-op, a part of an educational system? There is nothing that ensures that what is taking place is an employer-employee relationship, and that's what the basis of apprenticeship is: You have a position with a particular employer.

1040

There are changes in this piece of legislation regarding the time requirements. Previously the bill required a minimum of two years. In many other trades, it was as much as five years that you needed to put in to be able to get your training, to be able to get your certification, to be able to have the skill and the quality of standards so that public safety was not going to be compromised. This bill changes the process for training agreements or contracts by putting them into regulation in the name of cutting red tape. More regulations are somehow going to reduce red tape.

It claims to give apprentices the ability to progress through programs at their own speed. The real concern is that apprentices aren't going to benefit from this. In fact,

the public is not going to benefit from this. We really need to have a minimum amount of time that apprentices will have to have to be well-rounded, to be able to get all the skills they need for their introduction into the trade areas.

This bill allows for part-time, contract and self-employed people to become apprentices. I heard the minister's attempt to explain how a self-employed person could be an apprentice, but that's absolute nonsense. Who is going to be training, who is going to be supervising if you're a part-time person, if you're a self-employed person? Please, give it a rest.

There are some system administration issues. Previously, the minister could not make changes through regulations; it had to be through legislation. Certainly it's an onerous process. Right now, that will all change. The minister has virtually unlimited power to make new changes at will. Now the minister can make regulations concerning industrial committees, programs, the criteria for certifying skilled workers, recognizing qualifications and other such issues. The new act says that certain skills or skill sets may be designated as restricted, so that some portions of the job need not be performed by apprentices or journeypeople. It can be done with training in a component of that job. We're going to water down the trades.

This minister has shown that he can't be trusted to make these kinds of decisions. This government has shown that they won't take recommendations in good faith from stakeholder groups.

I certainly look forward to hearing from apprentices, from members of industry, members of the skilled trades in these deputations — the ones who will be able to make those presentations, because it has been so limited. I look forward to hearing a great deal about Bill 55 because it is seriously flawed and will undermine a sound system of apprenticeship and training that has served Ontarians very well.

Applause.

The Chair: I'd caution members of the public that there's no need to show reaction to statements. At this point, I ask for Mr Lessard for the NDP caucus.

Mr Wayne Lessard (Windsor-Riverside): I think that the members of the audience here are expressing their true feelings about this legislation and what it means for apprenticeship training in Ontario.

Applause.

Mr Lessard: Although I don't want to encourage them to be offending the rules, they are expressing the frustration that they've been experiencing through this whole process. The only reason that we're having these public hearings now is because of consistent and persistent demands by members of the trade union movement and apprentices across the province, because initially the government wasn't prepared to have public hearings on this bill. We're thankful that at least we have four days of public hearings, as limited as that may be.

We in the NDP are going to be opposing this legislation as well, because we believe that it's a framework for lower standards, for lower wages, for reduced funding

for apprenticeship programs and higher fees for apprentices. When I say "a framework for lower standards," I refer to this bill. It's a mere nine pages long.

What we need are the regulations. I would like to hear from the minister whether he's prepared to table the regulations so we know if there are going to be any true protections for consumers, apprentices and workers in this province. Minister, will you please table the regulations before we're done this consultation process so we know what the agenda really is?

We think that this legislation is bad news for apprentices, for young people who would benefit from expanded apprenticeship programs. We know about the shortages of people in some sectors of industry, we know about shortages in some manufacturing sectors.

You talked about consultation by sending out 2,500 documents. You say this bill reflects what you were hearing during this discussion process, but the people I've been hearing from, Minister, are saying that they weren't listened to. They may have been consulted but what is reflected in this bill is not what they told you. They're here today to continue to express their frustration that Bill 55 doesn't reflect what the majority of stakeholders are saying to you about apprenticeship legislation reform in Ontario.

I want to ask you as well today, Minister, if the majority of people who are presenting to our committee over the next four days say that Bill 55 is wrong, it's going in the wrong direction, it won't benefit apprentices, will you withdraw this bill?

We're concerned that this legislation is bad for apprentices, but I want to talk about what it means for consumers as well. We have had very high standards in Ontario when it comes to health and safety, when it comes to construction of buildings, the construction of our workplaces and our homes. Consumers in Ontario don't want to see the deskilling of their workforce so that they may be faced with unsafe conditions in their homes and in their workplaces when it comes to electrical matters or when it comes to safety matters of improper handling of toxic materials, for example.

We think that consumers need to know that the tradespeople who are performing work in their homes and in public buildings are competent in the whole trade and understand the consequences of any actions that they may take and we think that redefining work of specific trades as simple skill sets is to water down the work that tradespeople currently do. Instead of being an expert in one trade, what you'll be is a jack of all trades and a master of none. I don't think that really gives consumers in Ontario a great deal of confidence in the work that is being performed for them.

You talked about how we need a more flexible approach with respect to apprenticeship training, and that may be true. I don't think anybody in this room disagrees that there need to be some changes made to the current apprenticeship program. But I'm certain they're not saying that in order to make those changes, what you should do is throw out the current system and bring in an entirely new

system. What we need are some changes that will encourage governments to become more involved in the apprenticeship training program and also employers to become more involved.

You talked about increased industry responsibility in apprenticeship training. I don't think that anybody disagrees with that, but when you made your announcement in Newmarket during January you were very clear that you did not expect employers were going to have to increase their costs for apprenticeship training.

1050

I want to know, why is it that increased industry responsibility doesn't mean increased investment in apprenticeship training? Why is it that you're transferring that responsibility on to apprentices? Why are they the ones who are going to have to pay more in tuition fees, for example, so that they can get the training they need to provide a benefit for their employers?

You're removing the protections that have traditionally been available for apprentices. You talked about the protection for wages and you mentioned the minimum wage standards, but we know what that means is to remove the wage protections that are currently in the apprenticeship legislation. The only protection that apprentices are going to have is either through their collective agreements or through the Employment Standards Act. We know the minimum wage in the Employment Standards Act is under, I think, \$7 an hour. That hasn't changed since the election in 1995. We don't want to see a situation where those who don't have the protection of a strong collective bargaining agent have their wages continually pressed down to the point where apprentices are going to be making only minimum wage if they're not in a union. I don't see how that is going to encourage young people to be involved in an apprenticeship program.

I'd like to know from you how it is that forcing apprentices to pay tuition, permitting employers to pay lower wages and removing the journeyman-to-apprentice ratios is going to encourage more young people to undertake apprenticeship training. I haven't heard an answer to that question since we've begun this process.

You talked about the appropriate levels of supervision. However, we know that this legislation is going to remove that protection of journeyman-to-apprentice ratio, and we know that the quality of training that an apprentice receives is based on that close relationship that an apprentice has with the journeyman. This is a transference of skills from someone who has a lot of experience in a certain skill to someone who is trying to learn that skill. We see that the removal of those ratios is going to mean that the quality of the training that apprentices receive, quite frankly, is going to deteriorate.

It's going to be lowered, and that is not only going to affect the quality of the training that apprentices receive, but it's also going to affect the quality of the work that apprentices perform. It's going to have a detrimental impact on the quality of people's work conditions and on health and safety matters as well. Oftentimes apprentices are involved in work that can be quite dangerous, and it's

important that that level of supervision is there, not only for their own protection but for the protection of consumers as well.

You mentioned one successful program, the Ontario youth apprenticeship program, in which you actually announced an investment. That's part of the reason that program does have the success, because you are making that investment. We know as well that part of the thrust for the changes that you're making are as a result of the withdrawal by the federal Liberal government of over \$40 million per year, commencing in March 1999, funding that traditionally had come from the employment insurance plan that has now been removed. We know there have been some attempts to negotiate with the federal government to try to ensure that they live up to their obligation to provide employment training in Ontario, but that still hasn't taken place.

That money that's being removed from the system is not going to improve the opportunities for apprentices to get involved in the system. That's an investment that I believe this provincial government has to be committed to making so that we can ensure that young people are going to take up those opportunities to get involved in apprenticeship training.

Without that investment by the government, this isn't going to double the number of apprentices in Ontario and it's not going to encourage people to undertake apprenticeship training. What it's going to do is just drive down wages. It's going to eliminate the protections that have traditionally been there. It's going to make the transferability of those skills more difficult.

I'd like to hear how you address the fact of the transferability of skills between provinces, for example, if we water down the skill sets that we have here in Ontario and people want to go to another province, for example. How are those skills going to be recognized if we have a completely different apprenticeship training program here in the province of Ontario?

Those are just a few of the questions that I have. I appreciate the opportunity to hear from other people who are quite significantly impacted by the changes that are proposed in Bill 55. I expect that we are going to hear from a number of people who share those concerns who will say to us that this isn't a matter of moving too far, too fast; it's a matter of moving in the wrong direction.

We believe this bill should be withdrawn. There should be true consultation with those people who are going to be affected by this legislation. We need to have a commitment from this government in apprenticeship training and not to just throw out the entire system that we have in Ontario but make the changes that are necessary to a system that for over three decades has served the interests of apprentices and the economic interests of Ontario quite well throughout that whole time. We don't need to throw out that whole system. We need reform to apprenticeship legislation that is going to encourage more young people to be involved in apprenticeship opportunities. I hope at the end of the four days of hearings, Minister, that you agree with that position.

The Chair: There are a few minutes for you to respond, Minister, or to conclude on the government's position.

Hon David Johnson: I will just take advantage of a few moments to indicate that we are delighted to have these public hearings. As a matter of fact, the plain truth is that this government has had more public hearings, more hours, more travelling to cities and municipalities across the province of Ontario, at least in recent times, than either of the two previous governments. We have taken the opportunity to go out and consult with people, not only at public hearings but in preparation for the public hearings. The number of hours is about double what the Liberal government chose to involve itself in in public hearings during the 1980s. The NDP government is much closer in terms of the number of hours in travelling than the Liberal government was, but we have even outdistanced the NDP government in terms of the number of public hearings and the hours.

We're very delighted to do this. This is democracy in action, and I'm very anxious to hear what we will hear over the four days of the public hearings. I must say that we also bear in mind that we are dealing with the future of the province to the extent that we are dealing with many people who are not involved in these public hearings: young people, the 13% of the young people who are unemployed, who need an opportunity to be involved in a program leading to a career, I think a wonderful career, in apprenticeship. We need to keep their situation in mind as well.

In a province of 11 million people, there are many different viewpoints. I expect over the next four days we're going to hear a number of different viewpoints, and a number of viewpoints about the future of our young people and about opportunities for them.

1100

There are a number of points that the representative from the NDP, in terms of having a thoughtful response, pointed out: that part of the dilemma this government faces is that the federal government has unilaterally withdrawn some \$40 million. We didn't hear too much of that from the Liberal ranks today, but that's a fact we have to deal with: a \$40-million withdrawal of funding for the apprenticeship system. We are dealing with that as best we can. We are very optimistic that this legislation will promote an even better apprenticeship system, but we have to deal with the fact of the federal withdrawal.

Mr Mario Sergio (Yorkview): You're not listening, David.

The Chair: Mr Sergio.

Hon David Johnson: In general, you can take the view that the government itself can legislate one set of rules for all circumstances that will be equally applicable and equally helpful for all the various occupations and trades, and I gather that's the view of the opposition, that they prefer that the government set one rigid standard, essentially maintaining the status quo. Or, as a second viewpoint, you can take the tack that over the many years of the apprenticeship program we have advisory committees, we

have industries which have grown, which have matured, which have people who have solid advice, both workers and employers, who know within their own unique industry, whether that's ironworkers, tool and die, hair-dressing or some of the new ones, cable laying, for example, what ratios make sense, who know how much time should be involved or what performance outcomes are essential for safety and quality within their own particular industry.

That's the viewpoint the government is taking. I know that's a little change from the past. However, I think most people in this room would recognize that the industry has grown and has matured and has people who are better qualified and able to set these kinds of standards than the people in this room. What we're saying through this legislation is, give them that greater flexibility; give them that chance to determine for their industry what needs to be done. Or you can take the view the opposition wishes to take, that the government is going to precisely determine a similar set of requirements for each and every industry. I think that's inflexible. I think that's putting a choke-hold on the apprenticeship system in general.

In terms of the educational requirements, for example, the vast majority of apprentices today have grade 12 or more. We think there should be recognition of that. We think the identification with grade 10 through the regulation may be a detriment to young people coming into the system. We fully expect that the industries will choose to upgrade the educational requirements. I have every confidence in that.

I guess other people, perhaps the opposition, don't share the confidence in the workers and the employers of this province to set the higher proper educational requirements. But I have the confidence in the industry that they have the best interests of the apprenticeship system and the best interests of the young people at heart and indeed will set those higher performance outcomes, those higher educational requirements.

Far from a watering down of the system, we will see a higher-quality apprenticeship system which will serve the young people of this province, will serve our businesses and will lead to growth in Ontario. I am confident that the skills which are developed will lead to higher wages. Certainly, when we look at the number of retirements coming up in various industries and we see the competition that is developing for people with higher skills, there's every reason to believe that those skills will be rewarded accordingly in the marketplace.

I have the utmost confidence in the direction we're going, that we are incorporating the industries, the people who have the experience, the wealth of knowledge developed over the years, the workers, the employers. With their guidance, we'll develop an apprenticeship system that will put us in good place as we come into the next century. I'm more than delighted to have these public hearings and to get the input over the next four hearing days.

The Chair: Thank you very much, Minister. At this point, the committee will move to input from the public. I

thank the minister for attending the session this morning, and encourage you to keep in touch with the hearings.

ONTARIO CHAMBER OF COMMERCE

The Chair: At this time, I would call the Ontario Chamber of Commerce, if they're in attendance, to come forward, and give your name for the Hansard record. Good morning and welcome. You have 15 minutes to make your presentation, to use the time as you see fit. Proceed if you wish.

Mr Doug Robson: Good morning, ladies and gentlemen. My name is Doug Robson. I'm the president and chief operating officer of the Ontario Chamber of Commerce.

The Ontario Chamber of Commerce is a federation, as many of you know, of approximately 180 local chambers of commerce and boards of trade and a business association with more than 500 direct corporate members. The Ontario Chamber of Commerce represents businesses of all sizes, large, medium and small, situated in every part and region of this province and in every sector of the economy. In total, we represent more than 50,000 employers, many of whom engage the services of apprentices and journeymen.

We wish to commend the Ministry of Education and Training for, in our opinion, its extensive consultation and outreach with regard to the reform of Ontario's apprenticeship system. The discussion paper was well focused, and the summary conclusions report on apprenticeship reform consultations described well the areas where a consensus emerged and also where there were divergent views. There was wide agreement that reform of the current legislative and regulatory framework was required.

There is no doubt in our minds that a properly trained workforce is the foundation upon which Ontario's economy is built. It requires a well-skilled, adaptable workforce to fulfill industry demands in order to compete in the international marketplace. We must put in place an apprenticeship system with the flexibility to keep pace with the rapidly changing skill needs of the provincial economy. People with the right skills are the key to Ontario's prosperity.

The Minister of Education and Training stated that the goal of this reform is to double the number of people entering apprenticeship programs from 11,000 to 22,000 a year. This is an extremely important goal to us in order to fill the existing skills gap and to fill the further void created by the anticipated retirement of thousands of skilled workers over the next decade.

The Ontario chamber strongly supports the focus of Bill 55 on training and learning and supports the inclusion and the wording of the new purpose clause. Grades, qualification and apprenticeship must be about the teaching and learning of occupational skills.

In the definitions in section 2 of the bill, the definition of "sponsor" we feel should be expanded and clarified so that the meaning of "sponsor" is better understood. It is

not clear if "sponsor" means employer, or it could mean a school with co-op students enrolled in apprenticeship training with a non-employment relationship with an employer.

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With regard to industry committees, the Ontario chamber believes that the minister should be obliged to establish a committee for occupations and groups of occupations, that there should be an industry committee for every apprenticeship stream. We feel it's essential that committees establish processes to monitor the environment for the skill requirements and make recommendations for curriculum change on an ongoing basis.

The Ontario chamber supports the concept of certification earned through demonstrated competence and the prescribed skill sets, rather than a time-based approach. We also support the notion of prior skills training. The performance-based approach to certification and the prior skills learning assessment will require very careful evaluations.

We also believe the section dealing with overlapping skill sets will provide businesses with improved flexibility and will keep pace with change. This section allows an individual authorized to perform a skill that is part of a restricted skill set to perform that skill even if it is also part of another restricted skill set or of an occupation that includes the restricted skill set.

As in the case of most legislation, the success or failure in particular here will be borne out in the regulation, in a co-operative effort of all stakeholders to modernize Ontario's apprenticeship program.

At present there is a considerable lack of skilled labour. Recently, the Ontario Chamber of Commerce representatives met with counterparts in Hamilton and learned that contractors there are reluctant to even bid on contracts out of a fear that they cannot find the skilled labour to deliver. I'm quite certain this situation exists in many communities across the province. It will also be essential to promote the importance and benefits of apprenticeship and careers in the skilled trades to both students and educators.

In closing, I wish to thank the committee for this opportunity to share our view, our ideas on apprenticeship, and I'd be delighted to respond to any questions you might have.

The Chair: With that, we have a little less than three minutes for each caucus. We'll start with Mr Sergio.

Mr Sergio: Thank you very much for coming down to make a presentation to our committee today. Out of 50,000 employers, can you tell us why they haven't hired more young people for the apprenticeship programs?

Mr Robson: An example that everybody here would relate to is Ottawa, in terms of Silicon Valley North. They have severe problems up there in just getting the trained, educated people they want. In the case of Brantford, I remember going through Westcast Industries, which is a wildly expanding business on the outskirts of Brantford. They have their own skills training programs and they feel they have to expand those because the other facilities are not adequate. So while the high-tech industry and the

private sector are taking care of it themselves, the reality is that if we want this province to be competent and capable, we need many more people there. That's why we're applauding the doubling of it. If it was tripling and quadrupling, we'd be applauding that too.

Mr Sergio: At a time when we are trying to raise the level of education in our province, we see this legislation removing the minimum standard for education for apprenticeship programs. What do you think of that? Is it a benefit?

Mr Robson: That's not the way I read it. To me it becomes more flexible, the way it's designed. If I'm missing something —

Mr Sergio: Are you saying that removing the minimum standards gives more flexibility?

Mr Robson: I think so. I don't say removing the minimum standards gives more flexibility, I just think the whole legislation is designed to be much more flexible, to suit both the students' needs and the employers' needs.

Mr Sergio: That was my first question. Other than Silicon Valley or the odd employer here and there, what does this province, in this legislation, do to get those 50,000 employers to have more young people in training?

Mr Robson: It's more flexible than the former legislation, put simply. That's the best thing about it.

Mr Sergio: So you believe that removing various standards, various protections will be more attractive for the young people and for employers as well?

Mr Robson: I don't see it as removing standards that much, but I think overall it's simpler and it makes it easier, for example, for the apprentice to pick the time they do classes and that sort of thing. I think that's in the interests of everybody.

Mr Sergio: We are trying to get young people into training so they can get those full-time, long-term jobs. How are we going to make that available when we may be looking at minimum wage for some of these young people who hopefully will come out of these training employment places?

Mr Robson: I think this legislation gives a lot more people a chance, for starters.

The Chair: As the NDP caucus is out of the room for a moment, I would ask if the government side had any questions or comments.

Mr Bruce Smith (Middlesex): Thank you for your presentation this morning. I just wanted to bring to your attention, on page 2 you raised the issue with respect to section 2 of the bill, the definition of "sponsor." If there's clarification of that language I would welcome that, because the intent of that definition is to capture the very groups that you suggested in your comments. I would as well emphasize that it would include local apprenticeship committees, which are particularly relevant in the construction sector as sponsors for training agreements. The objective of that is to broaden that definition so it would include and recognize what's already occurring through local committees and give opportunities to native groups, women's groups — in fact, we heard the ministry this morning, the individual responsible for correctional

services, addressing the effectiveness of this definition as it applies to inmates who are seeking apprenticeship training. That's the intent of that definition, to capture what you have suggested in your presentation.

On page 3 you make reference to your experience in Hamilton and your meetings with contractors. You've made some reference to it, but how significant do you think this observation is in reference to other parts of the province? I know you get to travel all over Ontario. How significant and relevant do you think the observation of contractors in Hamilton is to other parts of the province?

Mr Robson: The province is broken up into areas that are booming and areas that are trembling along. In those areas that are booming and those industries that are successful, there seems to be a real problem getting skilled workers. So it's universal, with that qualification. We run into it all over the place. Simply put, it's that.

Mr Smith: One of the concluding remarks you make is the importance of increasing the awareness of both students and educators to career opportunities for apprentices and other young people in skilled trades. What opportunities has the chamber pursued or what thoughts have you given to how the government and its partners in this particular area might expand that awareness to young people in the province?

Mr Robson: I'm not sure I catch the drift of your question.

Mr Smith: Has the chamber itself given any thought — I'm looking for suggestions from the chamber as to what your vision might be on how to broaden the awareness of career opportunities in the skilled trades.

Mr Robson: In our closing remarks we were pointing out that we hoped you'd broadcast widely the changes and what should be available to young people that may not have been available beforehand. That was the thrust of it, to encourage the government to make it widely known. As you know, you have to have a lot of repetition out there before it sinks in to people what's happening. Whether it's parents, the young people themselves or educators, I think there's a fair learning process when you change a basic system like this.

Mr Smith: So you would support the \$1.4-million investment by the government in the Ontario youth apprenticeship program?

Mr Robson: Yes.

The Chair: I see Mr Lessard has returned. I would ask if you'd like to use your three minutes or a part thereof.

Mr Lessard: I really have just one question, and that surrounds the statement the minister has made with respect to doubling the number of apprentices in the system. As you've identified in your remarks, that is an important goal to try to achieve. I think we all agree that we need to encourage more young people to choose apprenticeship as a long-term career choice. My question is, how is that you think Bill 55 is going to double the number of people in the apprenticeship program? How do you think it's going to achieve that goal?

1120

Mr Robson: I'm taking the minister's assurance that they can do it. I think that when we're out of the recession, one of the things that's a highlight in this economy is the lack of skills on the part of a lot of young people, and as I said earlier — maybe you were out of the room — as far as I'm concerned, it could be tripled or quadrupled in terms of the young people. There was a time five years ago when a lot of people in Ontario had lost hope about the future, and I think the future is back in Ontario thanks to the economic turnaround and some other things. As a result of that, young people are looking for what they can get if they aren't going on to a post-secondary career at a college or university. This is one of those answers, and it's an important one if we're going to have industries and capable people in them.

The Chair: Thank you, Mr Robson, for your presentation this morning.

Mr Robson: I'm sorry. I neglected to introduce my colleague Atul Sharma, our chief economist. With the hubbub at the beginning, I forgot to introduce him to you. He's just back from California, or I think he'd be more vociferous today as well. Thank you for having us both. We appreciate it.

ONTARIO SECONDARY SCHOOL TEACHERS' FEDERATION

The Chair: With that, I will call on the next deputation, the Ontario Secondary School Teachers' Federation, if you could approach the table and for the record introduce your deputants. You have 15 minutes to use as you please.

Mr Paul Inksetter: Good morning and thank you for granting us the opportunity to address you here directly this morning on the subject of the proposed Apprenticeship Training and Certification Act, legislation that will affect the training and governance of skilled trades and apprentices in Ontario. My name is Paul Inksetter. I am vice-president of the Ontario Secondary School Teachers' Federation. With me is Rosemary Clark, a member of our secretariat. We have provided you with copies of our brief. I hope you will have time to study it thoroughly. We will spend a few moments now highlighting our key recommendations.

The underlying premise of our brief is that in preparing the Ontario workforce for the future, we will need skilled tradespersons with more education, not less, with broader training, not narrower, and that Ontario must begin now to end its traditional reliance on other countries as the source of skilled tradespersons.

We feel that Bill 55 as proposed will not achieve these objectives, and therefore our primary recommendation would be that the government not proceed with this bill. If the government accepts that recommendation, we will have achieved our purpose in the short run. However, we recognize that this government does not always accept our recommendations of this nature, and even if they did, the fundamental premises that I stated in my opening remarks

would not be achieved. So we have a number of recommendations that we feel will improve the bill and move it in a direction that will improve the preparation of our workforce.

In keeping with our premise that skilled tradespersons should be receiving more education, not less, we feel very strongly that any suggestion that we remove minimum education requirements for entry to apprenticeship is a giant step in the wrong direction. It amounts to an invitation to young high school students to drop out of their regular diploma program to follow a path into a narrowly defined occupation. Such a decision would severely limit a student's future options.

Under the secondary education reform that is currently underway, we would hope to see the applied courses designed to encourage students to consider skilled trade apprenticeship as a viable and desirable post-secondary option. In this way, we could address two of our objectives: the need for a more highly educated workforce and to begin to use our education system to undo our reliance on skilled tradespersons from other jurisdictions.

We also acknowledge that there are students who will be ready to make the choice of skilled trades apprenticeship while still in high school, and we would encourage the government to continue with programs such as the Ontario youth apprenticeship program, which links an introduction to skilled trades apprenticeship to secondary school studies. But we would not want to see such a program compromise the integrity of a student's basic academic program and a secondary school diploma. We also think it is unrealistic to suggest that such students would graduate from high school as fully trained apprentices or skilled tradespersons.

The \$1.4 million mentioned by the minister to be allocated to this program is up to \$75,000 per school board. The math on that works out to only 18 school boards that would qualify for the maximum grant available under that program. With the number of students currently in the program, I think it works out to approximately \$700 per student. This is not an adequate level of funding to show a commitment to such a program.

Although the bill is not specific on the subject of fees and tuition, there has been much discussion, and we are appalled at the suggestion that students in the future could be charged fees for the classroom portion of their training. Never has a government suggested that students entering high school would have to pay for a portion of that education. This will certainly not lead to one of the stated aims of the bill: to increase the number of young adults choosing skilled trades apprenticeships.

We would also observe the very obviously desirable link between the needs of adult students who wish to return to secondary school to complete their diploma and the need of the Ontario workforce for more highly skilled tradespersons. Re-establishing funding for adult education programs and linking these programs to skilled trades apprenticeship programs is the easiest, fastest and most cost-effective way to achieve the stated goals of this bill.

That could happen tomorrow if the political will and recognition of the need were present.

In addition to the recommendations in our brief to the committee, we have included as appendices to our brief our recommendations on how secondary education renewal could assist in reaching the stated goals of this bill and a summary of our comments on the specific content of the bill itself.

I thank you for your time and attention, and we would be more than happy to respond to any questions you may have.

The Chair: Thank you very much, Mr Inksetter. That allows us about three minutes per caucus, and I will start with the NDP.

Mr Lessard: I notice in your presentation that one of the things you talked about is the unfairness of down-loading the costs of education on to students. You say that in the context of, how is it that this is going to encourage more young people to take up apprenticeship as a long-term career choice?

I share that concern you have. Even though I agree with the goal of doubling the number of people in the skilled trades because we know there are shortages there, I'm concerned that what's in this bill is not going to get us close to that objective, and that is one of the reasons, imposing tuition fees on students. Are there things that you see in this bill that would encourage young people to become apprentices?

Mr Inksetter: No. In fact, our primary concern is the designation of occupational skill sets. I would be very concerned that a young student entering high school would be attracted by a quick route to a job which is narrowly defined as an occupational skill set. Having young persons at the age of 16 who have not completed their secondary education move into a program that would prepare them only for a narrowly defined set of skills is exactly the wrong way to go. We would encourage all students, of course, to stay in high school until they complete their secondary school diploma at the very least, and we don't see that charging students to do it is a way to achieve that.

The Acting Chair (Mr Harry Danford): We'll move to the government side and the parliamentary assistant.

Mr Smith: I appreciate the comments that you made about OYAP. In fact, today is the deadline for school boards to make their submissions with respect to the program. With respect to the funding, I would expect there would be some immediacy given to the evaluation of those proposals and funds flowing as soon as possible. I wasn't sure that you suggested it or not, but in fact students participating in OYAP will be exempt from any tuition fees that would be proposed, notwithstanding tuition fees or tuition policy is not captured in Bill 55 anywhere.

It's not directly related to Bill 55, but you made comments regarding the broad-based technology. I wanted to get a sense of your level of support for using the broad-based technology as it applies to apprenticeship and skills at the secondary school level.

Ms Rosemary Clark: I'll try answering that, although I'm not a tech teacher. I just would like to say that the

regulations on the qualifications of teachers have still not been amended years after broad-based technology has been in place, so we still have no proper regulations governing teacher qualifications for broad-based technology.

Broad-based technology is a start, and under that program we did get a lot of equipment in the schools, but the problem is that now under the new funding formula we see funding going backwards for tech programs. The space for tech programs isn't recognized in the accommodation grants, and we see that schools will have to close those tech programs rather than expand them. So we see here directions that are not helpful in other parts of the government's education policy.

Mr Smith: The federation would support stronger teacher qualifications for tech teachers then? Is that what you're suggesting to me?

Ms Clark: We need to know what the rules are. It's not that they need to be stronger. Right now they do not recognize what the teachers are teaching in the classroom, and that's the problem.

The Acting Chair: Any more questions from the members of the government? We have time for one more. If not, I'll move to the Liberals.

Mr Caplan: I have several questions. First of all, Mr Inksetter and Ms Clark, thank you very much for your presentation. I thought it was quite good.

One of the questions I have relates to the elimination of the regulation which allows for a minimum educational standard. We have heard from many stakeholder groups that one of the things that needs to happen is the removal of the "stigma" of going into the trades.

If there is no educational standard or if it's nebulous, if it's not defined, would that help to remove that stigma or would that reinforce that stigma? What is your opinion? I know you're saying it should be raised up, but because you deal with secondary school students, what do you think their view would be of something that does not have an educational standard attached to it?

Mr Inksetter: That stigma may exist in some people's minds; it doesn't exist in my own.

Mr Caplan: I understand that.

Mr Inksetter: I think you could say that the schools in general have not adequately promoted the option of skilled trades as a career choice for secondary school students. The emphasis has always been on getting as much education as you can to maximize both your personal life and your ability to partake in the economy, and that has tended to focus on post-secondary education at universities and colleges. I think a great deal could be done in the schools to encourage the choice of skilled trades as a desirable and viable post-secondary option, and I think it would remove any stigma that might develop as a result of a student's dropping out of school before the completion of grade 10 and moving into particularly not a skilled trade as we understand it now but a narrowly defined occupation with a narrowly defined set of skills.

I would also like to emphasize that co-operative education is not apprenticeship training. There are students now who do get experience in the workplace, and that is

preparation for work; that is attitudes and knowledge of workplace ethics and portfolio building and so on. But co-operative education is no substitute for apprenticeship training.

Mr Caplan: You also talked in your brief about the fact that this bill is totally about regulation. It says: "Trust us. We will come and show you what the system is going to be like." I wondered if you wanted to expand a little bit on what some of your thoughts and experiences have been with other pieces of legislation perhaps, or even what you anticipate might happen with Bill 55.

Mr Inksetter: I'm reluctant to start discussing our experience with other recent legislation.

With regard to this legislation, I guess our greatest concern is the complete removal of the reference to trades. That act is being repealed, and we're now talking about the regulatory definition of occupational skills sets which could have very short training periods. This will not produce a flexible workforce that has the ability to move as technology in the workplace moves.

However cumbersome the government may feel the current legislation is — it is 34 years old — I think an evolutionary change to build more flexibility into the current act would be better than simply repealing it. The arbitrary nature of saying today that we can define a new occupation with a very limited set of designated skills will break down the identification of the skilled trades that we currently have. That is, in our view, the wrong direction to go.

The Acting Chair: Thank you very much for your presentation this morning. I think we have exceeded our time, for that matter.

The committee stands recessed until the next presentation, which is scheduled at 1 o'clock.

The committee recessed from 1134 to 1259.

The Chair: I'd like to reconvene this committee for the purpose of hearing input on Bill 55. First, for the members of the committee, I'd like to just advise you administratively. The clerk has made arrangements for transportation to the airport. If anybody doesn't want the previously arranged transportation, would you please contact the clerk this afternoon. If you have any questions in that respect, contact the clerk.

CANADIAN AUTO WORKERS

The Chair: I welcome the deputation at the table, the Canadian Auto Workers — national automobile, aerospace, transportation and general workers.

Mr Robert Chernecki: I want first of all to introduce the delegation at the table. On my far left is Roy Kellett, of the aerospace industry here in Toronto. John Bettes, next to him, is the director of skilled trades for our union. John also, in his history, comes out of the aerospace industry. To my right is Ron Jones, the president of the skilled trades council of our union representing about 30,000 trades. On my far right is Dave Felice, a journey-person in the GM system, Local 199 in St Catharines.

I want to start my comments by telling you a little bit about who we are. If you'll just turn to our brief that we previously handed out, it lays out the current membership of about 215,000 in our union and, as I said earlier, about 30,000 trades across the country. In the skilled trades sector we have virtually covered the globe in terms of the skills here. We're in auto, auto parts, aerospace, we represent motor vehicle mechanics and repair garages, dealerships, shop craft workers and locomotive. We're in mining, shipbuilding and the hospitality sector. With me today is a whole host of apprentice persons, journey-persons representing from auto parts to aerospace. One of them graduates tomorrow with his apprenticeship, coming out of Budd automotive. We are, we believe, an importance voice in the province and across the country on this issue.

First of all, I appreciate the time that we're allotted here. I want to join both the NDP and the Liberals in saying that this is a key issue to our union and to, we believe, the future of this province, but I don't think four days gives it justice. We had asked for hearings in Oshawa, in St Catharines, a couple more in Toronto, and unfortunately that's not going to happen.

We believe that the legislation is flawed and we believe there is an opportunity to revamp this legislation, but we also believe that what's crucial here is more consultation, broader consultation. We just recently had a half-day meeting with the Big Three, the aerospace, the auto parts employers, and ourselves with the minister and some of his people on this matter. Half a day doesn't do it. I heard Mr Johnson's opening remarks about the broad consultation. I don't agree with his analysis of that. We are, by the numbers alone and by skilled trades other than the building trades, probably the largest group of workers who have an interest in this matter, in terms of the skilled trades and the issues that are important to them, in our union.

I'm going to skip a couple of pages of the brief. Everyone in the room can read. I want to touch on the proposed changes of the legislation and certification of the apprentice. How do you come to terms with an act that is, as the minister pointed out, some 30 years old? How do you come to terms with that? We have been, historically in our union, at the collective bargaining arena with employers and have protected the principle of apprentice in more than one way. In terms of the wage rate, in terms of the ratios, in terms of protecting the skills and having dedicated skills rather than what the legislation certainly suggests, skill sets, we've been able to build what we believe is the engine of the economy of Ontario.

There is no question, when you look at the success of the auto industry, the success of the aerospace industry, the auto parts industry, mining, you name it, in this province, the key element in the success of those operations has been the highly skilled workforce we have in our union and in Ontario. How did we get there? We didn't get there, as the legislation suggests, by deskilling or having skill sets. We got there by ensuring that we've worked with the employers whether it be during the term

of the agreement or even at the bargaining table. We ensured that the skills that were required by the employer were there for us to get the work that was necessary for the investment to come in those important industries that I had mentioned earlier.

We are concerned about how the regulations will look at the end of this. I would challenge the Chair and the members of the committee: Would you buy car with no warranty? "Here's your car. We'll let you know what the warranty is later on." That's how we see this legislation. Or would you like to buy a Dash-8 and have a thing sent to you later in the mail that says you have no protection?

I want to spend a minute on the consultation. We absolutely believe that there is a need here for a good, focused discussion with the employers of Ontario within our union and we're absolutely prepared to do that. We've told the government that; we have talked to the employers. They're prepared to sit down and do that. We think the process, as the brief says, is flawed.

I want to turn to page 4. The draft legislation reduces training time for apprentices and gives employers more say over the duration of the apprenticeship. It's hard to understand how eliminating the two-year requirement will lead to a higher level of skill among apprentices or within workplaces.

While time requirements may vary, it has been recognized that there is a minimum time required to turn learning into knowledge and knowledge into skill. What does that mean? That means the ratios that are currently in place, both in the legislation and regulations and in our collective agreements, are key and central to having the apprentice work through the system, both in the schooling end of it and in on-site and on-the-job experience.

Our apprentices rely heavily on school, rely heavily on the in-plant, on-site training that takes place, and in order to do that, you've got to have the journeypeople. So we've set in place and in stone in most of our collective agreements that principle. It is our view that this legislation moves away from that important principle.

I want to turn to page 5, where it talks a bit about the workplace ratios and the wage rates. I'm going to ask John Bettes to comment on the wage rates. John has a long history in terms of this issue. But I want to move to the conclusion of our brief and I'm going to ask the people with me to make a brief comment, a couple of minutes each, and that should leave enough time for questions.

When you look at the conclusion of our brief, what are we saying? We're saying a couple of things. We want to protect the important industries we have in Ontario, as I'm sure the government of the day does. The question is how you get there and what has been the experience in getting there.

I disagree with the minister when he says that this is 30 years old and needs revamping. Yes, that's a pretty broad general statement to make. You must look at the experiences that we and others in the province have had and how we got to the high-tech, high-quality, low-cost, high-productivity industries we have in Ontario today.

How did we get there? We have a lot to add to that, in our view, and we're not getting an opportunity.

We think the government is wrong-headed about this. By experience with this government, certainly, I don't think you're going to back off in terms of trying to implement some of your changes, but I think it makes absolute sense to sit back and have a tabling of the legislation so people can study this much closer. I can tell you, in our meeting with the employers and the government — I don't know if Kathryn McKenzie is in the room; she was one of the people we met with from the government — there was more confusion in that room than there were positive comments about this legislation.

We have a view. The employers were certainly not at all updated on this legislation. They were as confused as we were on some of the issues. So what does that lead to? That leads to a flawed bill, flawed consultation, and we believe, at the end of it, a flawed Ontario for the future.

The ministry has spent a great deal of time talking about the youth in Ontario. Let me talk about the youth in our union a bit. The average age of our journeypeople today is about 53 years. We are heading for, in the next three or four, five, six years, two assembly plants retiring. That is if we can get the Big Three to give us the pension we're looking for. That'll come in September.

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What does that mean? Does that mean all this high-tech, high-skilled investment the employers have put into these facilities is going to die on the vine and that our jobs die at the end of it? We think not. We don't think you would allow that to happen.

Where we're at today, table it, let's have some more discussion and let's move to what's constructive and important: a good, solid base for Ontario in the future for our young and for our industries that we represent as a union.

I want to ask Roy Kellett from the aerospace industry, as I pointed out earlier, to take over.

Mr Roy Kellett: I'd just like to point out a couple of things. In the legislation we're not too sure where everybody is going. As you're well aware, Bombardier, which I work for presently, is a very highly skilled industry. Boeing bought into de Havilland and Bombardier bought into de Havilland, and if we hadn't had the skill set that we have today, we wouldn't be doing final assembly of five different countries' work in de Havilland like the Global Express, the Dash-8 400 quiet series. If you didn't have the kinds of skills in de Havilland — and I've got to say this: A lot of it is due to the CAW and the apprenticeship system we have here in Ontario. It's an excellent system.

I served my apprenticeship in British Aerospace. I left there, went to Africa and worked for General Motors because of portability of skills. I've got one person in the room right now who was a baker. She came to de Havilland and we put her through the tool and die program. She's a fully qualified tool and die maker. Now she's working for Chrysler. We've got portability of skills

and an excellent training program here in Ontario and we don't want to change anything.

I would like to say, in conclusion, that if it's looking this way, the way you have it set up, as we see it, if you're not in the CAW, if you're not in tool and die and our kind of industry, you're not going to have a proper apprenticeship. As Bob pointed out last week and as the employees who are with us said, if we don't have the program that we have in de Havilland right now, we're not hiring. He told your representative right there.

Mr John Bettes: Just to follow that up, I think the age limit, 53 — you don't take two shots at this one. There are four or five years to train, 10 years before a skill really becomes adaptable, and if you miss, 10 years from now the province won't look the same.

Bombardier is now the third-largest aircraft builder in the world, General Motors is number one and Ford is right behind them and so is Chrysler. When they start looking around, they look at trades and they look at skills, and if you haven't got the skills, they don't locate here. They'll go somewhere else.

Fortunately, we've been able to maintain at least the minimum requirement of skills to get these expansions and movements taking place in both the aerospace and auto parts industries. Some of the key things for the corporation are the education standard and the apprenticeship system that you have in place. In the CAW we have our apprenticeship program. I deposited with your clerk copies of our apprenticeship program and the agreement that's signed and is in pretty near every contract. Also, the provisions on lines of demarcation tell you the types of trades we represent. Those are negotiated in the agreements: the wage rates and the ratios.

The problem here becomes that when you train outside the standard, which meets the government standard and exceeds it, by the way, once you train outside those standards and you drop the government standards, you create two or three classes of tradesmen. So if you're moving from one industry to another because of a downsizing of one industry and a build-up in another one, you won't have that portability of skill and you won't be able to develop the next industry. When the electronics industry died in this country, the tradesmen were able to be portable and move to another industry. If that kind of thing happens again and you don't have portability, you won't have any building, you won't have any production system going on in this country.

Mr Ron Jones: My concern with the bill is that there's an agenda at work here. I can only guess at who's driving that, although I'm pretty sure I know who that is.

On apprenticeship, the minister talks as if apprenticeship is a career. It's not a career. It's a vehicle to get to a skill level that gives you a career. There are very few tradesmen that consider themselves tradesmen the day after they complete their apprenticeship. It takes several years' experience after your apprenticeship to really consider yourself a skilled tradesman.

My background and apprenticeship was in shipbuilding. Since then I've worked in the oil industry, pipelines,

and now I work in the auto industry. The minister talks about no changes since 1960, but really, in the auto industry, as an example, the predecessor to that was coach builder. Those skills go back to the 14th century, 13th century, 12th century, as far back as you want to go, because that was the means of transportation then, coaches.

When the automobile was first invented, coach builders hand-built the vehicles until someone came up with a means of mass-producing vehicles. That gave us the auto mechanics and other trades. Since then, technology now builds a vehicle. The membership in our union, the physical auto builder, is dying down. His numbers are decreasing. The technology that replaces him is increasing, and the need for the skills is increasing. The basic trade has to be a must. You cannot take a picture of a trade and call it a trade.

My concerns with the bill are numerous, but my main concern is under section 8 that refers to the apprenticeship director having the ability to issue certificates in skill sets. To my mind, that is a disaster. That means they can take a picture of a trade, toolmaking, for instance, and take a one-unit operation and call it a trade. If that guy went through an apprenticeship in such a fashion and his plant closed, there isn't another car plant that would hire the guy. His skill level is not high enough to run the Ontario economy, which is auto and aerospace, the main motor that drives it.

Mr Dave Felice: I'm Dave Felice. As Bob mentioned, I'm out of General Motors in St Catharines. I'm also the chair of the industrial mechanic millwright provincial advisory committee. Over the past 18 months, with Rob Easto, through his department, we've had the opportunity to revise our training standards to form linkages with the colleges in developing new curriculum and we've also been included in many areas of consultation.

One thing that I hope will be demonstrated to this panel over the next four days is that quite a bit of what we're saying as industry committees is not present in the bill. Two examples of that: We have always been led to believe that the industry committee's role will be strengthened in the bill but, as you'll see, the language still provides only the capacity to advise the director and the minister. We can make no advice to industry itself, which is kind of what we were led to believe our increased role would be.

Also, on the issue of skill sets, in working with the other PACs, the construction millwrights, sheet metal boilermakers, tool and dye — Del Bruce, who's not present here but I think he should have been, because he and I together represent close to 60% of the trades that are in the automobile and aerospace industry — none of us believes that skill sets are the way to go. We believe a skilled trade is a set of skills, that some skills only emerge after you've been in the apprenticeship for three years. It can only lead to fragmentation. As Ron says, we're very concerned with the ability to issue a certificate only on a set of skills where we could lead to labourers or general workers doing the hanging of the pipe, the pulling of the

wire, in-house construction and where you would only need an electrician to, say, hook up the box in the panel.

There are many dangers inherent in the work we do, and certainly the language as it is in Bill 55 does nothing to better the apprenticeship in those areas. The industry councils do not have a strengthened position. The core trades that allow the portability that the other members of my delegation have addressed will be destroyed if you go to the skill sets. I would ask you, as a panel, to listen to the people over the next four days. Wherever you go, listen to the people who are actually on the industry committees and see if I don't have a strong mandate from them and if we're not all saying the same thing: employer, employee, union and non-union.

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Mr Chernecki: One final comment: I heard the minister this morning mention the cuts from the federal government of some \$40 million. I think Wayne Lessard also raised the point. Shame on them, quite frankly. Why would we set the standard in Ontario by agreeing that because the feds cut this we should not put money into it? I think the attitude is wrong. We can't continue blaming someone for something that we can control ourselves.

I would suggest that the Ontario government put money, and a lot of money, into apprenticeship programs. There are many ways of doing it. The minister announced, as you said, in June the school-to-work initiative, which we're involved with in Windsor. You'll hear more about that in Windsor. Those kinds of programs work, but you've got to have strict rules of movement here for trades. You can't have skills where they diminish over time.

The Chair: Thank you very much for your presentation this afternoon. We did go a little over, so you've used your time, but I think you've used it well.

LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA

The Chair: Our next deputation is from Labourers' International Union of North America. I would ask you to approach the table. Good afternoon and welcome. Please introduce yourself for the members of the committee and Hansard.

Mr Cosmo Mannella: My name is Cosmo Mannella, and I represent the Labourers' International Union of North America. I'm here representing 30,000 men and women of LIUNA who are looking forward to being recognized under an apprenticeship program and having their skills and crafts recognized for the very first time in the history of Ontario. I'm mostly here speaking on behalf of our employer partners who will be able to replenish their workforce through an apprenticeship system that is both flexible and responsive to the new needs of the construction industry.

LIUNA has supported Bill 55 and supports the concept of the expansion of apprenticeship through the creation of new trades and occupations that address the reality of the construction workplace. The workforce of the 20th century

is changing, and it will continue to change into the new millennium. We think there are components of this bill that recognize this change and allow for flexibility in the workplace, particularly the creation of new trades.

There are, however, some changes that we would like to see to this bill and/or the regulations. We would like to see under the regulations or the main body of the bill the minister or Lieutenant Governor in Council make specific reference to the appointment of local apprenticeship committees and the definition of their duties and functions, and that goes for the industry committees or what were once called provincial advisory committees.

As we have stated previously in our earlier presentations on this bill, the minister should consider special provisions in Bill 55 to govern the construction industry, particularly the unique nature of the current training structures and the different sectors of the construction industry. We believe this bill should address and make provisions for the existing co-operative efforts of unions and employers in the construction industry, particularly training trust funds.

I think there is a precedent for the segregation of the construction industry. In fact, the Ontario Labour Relations Act does just that. There are unique structures in the construction industry which have taken place without legislative support in fact. Training trust funds are an entirely voluntary system of paying into a trust fund for the development of human resources, and we think there should be special recognition of that.

Section 4 in the bill, industry committees: In the composition and structure of industry committees, we would like to see some references to union and employers and, again, the voluntary partnerships. We would also like to see those committees have some real power to regulate what happens in their particular industry. If the bill is going to eliminate ratios and the standards of pay, there has to be someone to enforce some standards and the recognition that in fact there has to be some ratio in order not to have a holus-bolus system that's all over the place in terms of replenishing the workforce. There has to be some tie to the attrition rate; otherwise the market will be flooded with people who are at the apprenticeship level and you're not doing anything to replenish the skill level in the future. I think those are issues that could be addressed through the regulations.

We like the idea of creating new crafts and we would like that process defined very clearly in the act or in the regulations. We think that if you define that process clearly, there won't be any conflict or disputes with other crafts, which is the case now. We have been in a position, because of the overlap in some of the skills that we engage in the construction industry, where we have not been able to get permission from the crafts with which we overlap, despite the fact that we may do the bulk of the work in the province.

I heard the minister this morning talk about self-employment and self-employed apprentices. I would strongly urge that the committee and the government consider not including self-employment as an initiative for

apprentices. It's contradictory to the whole concept of apprenticeship because the whole idea of apprenticeship is that you learn from a mentor. If you are self-employed, you have no mentor to learn from.

What you're doing is assisting the underground economy, which has been a very serious problem for governments at all levels and for our industry. It is very easy for someone to pick up a tool and call themselves a tradesperson and operate independently and outside of all the societal structures like workers' compensation, employment insurance and, quite frankly, income tax. That is a problem, and by addressing the issue of self-employed apprentices you may be contributing to that particular problem.

The other issue that I would like to have you consider in the bill is that you include mandatory health and safety training as part of all apprenticeship programs. I think it's essential. Even in this day and age in our own union, one of our brothers was killed just last week. I'm sure you've heard that one death is too many, but there is a tremendous amount of suffering. If we can take young people at the earliest stage of their apprenticeship training, I think we can have an impact in terms of turning the carnage in the industry around. Those are my comments. If you have some questions, I'd like to answer them.

The Chair: Thank you very much for your presentation, which will leave about three minutes per caucus. I believe the Liberal caucus starts. You would have started the last time but there was no time for questions.

Mr Caplan: First of all, Mr Mannella, thank you very much for your presentation. I was actually curious, you support the legislation but you seem to have an awful lot of reservations about some of the things that are in there. One of the concerns that I have —

Mr Mannella: If I may, I have some reservations about some of the things that are not in there.

Mr Caplan: Fair enough. One of the concerns I have is that so much of this bill speaks to: "Trust me. I'll give you the details later." In your opinion, we should be strengthening a number of the provisions, have them up front so that everybody could know what to expect in a number of those areas. Would you say that's correct?

Mr Mannella: I'm very hopeful. One of the requests I didn't mention which I should mention is that indeed there is a real and honest consultation effort. Again, the minister this morning himself addressed that he wanted to look at best practices and where excellence prevails. I think generally, if you look at the construction industry, the labourers and all other crafts, the unionized sector of the construction industry, you probably will find an example of much excellence, and I think we have to look at that. This is why I am suggesting it might be an option to segregate the construction industry in the bill. In fact, apprenticeships in the construction industry have operated fairly independently with training trust funds in most cases for many, many years.

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Mr Caplan: One of the questions that I have as well — it's not in the bill but it's the stated intention to begin

to charge tuition for apprenticeship. Does your organization have a position regarding the charging of tuition to apprentices?

Mr Mannella: I have to hark back to the issue of training trust funds. We are opposed to hikes in tuition, whether it be for public education, post-secondary education or apprenticeship, because we see it as an attack on the people who can least afford to pay.

As far as our own members are concerned, because of our training trust funds — let me say that probably the two things that will allow for the functioning of a successful apprenticeship system in this province are a functional economy, without volatility in employment, and good, strong labour legislation that allows for collective bargaining, which is another committee. But if we have those two things, a good investment climate and sustainable economic growth, and good labour legislation, then I think we can work out the rules of apprenticeship within that framework.

The Chair: Thank you, that's your amount of time. Mr Lessard is next.

Mr Lessard: Thank you for your presentation, Mr Mannella. It's good to see you again, since Saturday night in Windsor.

I wasn't here when you first started out so I was going to ask whether you supported the legislation, but I think that Mr Caplan has covered that off. I wonder whether you support the present system with respect to the regulation of wages, the ratios there with respect to the journey person-to-apprenticeship wage ratio protections.

Mr Mannella: I have said earlier, and again I refer back to the minister's own comments, that he has suggested they will look at best practices and in fact, if that is working for the particular craft, then I think it probably makes good sense to maintain that.

Mr Lessard: How about the existing compulsory certification of trades? Is that something you support?

Mr Mannella: I have no problem with compulsory certification if it fits the guidelines of compulsory certification. I don't come from a compulsory, I don't represent a compulsory trade, so I don't want to speak on their behalf. I'm sure you're going to be hearing from them. Certainly from LIUNA's position, we are not looking at dismantling the compulsory system. We are looking at a bill that offers us recognition.

Mr Lessard: But you don't see this legislation as watering down that compulsory certification?

Mr Mannella: Again, I have to think that there will be a valid and sincere consultation. If indeed the compulsory certifications that exist now are best practices and examples of excellence, as the minister has suggested, they will be kept.

Mr Lessard: Do you have any idea what's going to be in the regulations?

Mr Mannella: I'm afraid not. If I had that kind of insight, my presentation might be somewhat different.

Mr Lessard: You've mentioned some of the concerns you have with respect to tuition fees, with respect to self-employed persons and some other concerns as well. If

those concerns aren't addressed, does your support for the bill still remain?

Mr Mannella: I would have to go back to our principals. I'm representing, as I said, 30,000 workers who are represented by business managers and councils and the leadership of the union. That's a position that will be discussed internally in the union.

The Chair: For the government side, Mr Smith.

Mr Smith: Thank you for your presentation this afternoon. I certainly appreciate it. Given that the current legislation governing apprentices has very general generic language around the role of provincial advisory committees, I was intrigued by your comment regarding section 4 in terms of expanded roles and functions. In your opinion, are those roles and functions not sufficient? The reason I'm asking is not to be provocative, but my understanding was that items 2 through 6 in section 4 were principles that generally were agreed upon by provincial advisory committees. Are you suggesting this afternoon that in fact they don't go far enough?

Mr Mannella: I would like to see some clear direction in the regulations. I'm not going to make a judgment because, again, I've read this bill a number of a times — I don't have it in front of me — and I don't want to prejudge the language in the bill. I just want to ensure that in the regulations, or however that unfolds, the provincial advisory committees do have a role.

Again, please keep in mind that I am speaking only for our industry where I have some experience with the function of provincial advisory committees. I cannot speak for the service sector or the general manufacturing sector. I don't know how they have operated. But if you bring the proper people to the table in provincial advisory committees, I think you're going to have a much stronger apprenticeship program and you're going to give it some clear direction.

Mr Smith: You also made reference to the uniqueness of the construction sector. Given my involvement in this exercise to date, I certainly recognize the perspective you're bringing, but I wonder if you might elaborate on the comments that you made during the presentation so I have a little better understanding of the direction you were going there.

Mr Mannella: When I talk about the uniqueness of the construction industry, let me say the unionized sector of the construction industry, many years ago — in fact, LIUNA was the leader as far back as the mid-1960s — they established training trust funds in an entirely voluntary fashion, without any support, any legislation, whereby employers and the workers themselves were contributing to a training trust fund with the sole purpose of developing human resources for their own skill needs. It was a recognition as far back as the mid-1960s that we were going to be dealing with skill shortages, that as the economy of Ontario continued to grow we were going to need more and more workers. I think even as far back as the mid-1960s there was the realization that Ontario could not continue to import skilled labour.

Again, without legislative support, without any assistance from government or legislative force, the unionized industry came together and put money aside and developed training trust funds that are jointly trustee by employers and the union, and has developed what is probably one of the best construction workforces anywhere in the world. We're very proud of what we do here in Ontario. I think we can do better. I think it's a worthwhile exercise to open the legislation that has existed and have a look at all of that.

Mr Smith: One of the notes I made to myself over the course of these consultations is that the experience, particularly through the Ministry of Education and Training, is that where industry has removed regulated wage provisions from trade regulations, apprentice wages increased, actually, and didn't decrease. Do you have any experience in that regard, whether there's truth to that suggestion or not?

Mr Mannella: I couldn't comment on that. I can tell you that is one issue that is striking fear in many around this bill. I don't want to mix the broth here, but a lot of that is contingent on the strength of the collective bargaining provisions and the labour legislation. If the collective bargaining and labour legislation is strengthened sufficiently that you have more union density, I think probably most unions will do a good job of negotiating better working conditions and better wages. However, if at the same time that we see the deregulation of those kinds of things we also see the devolution and weakening of collective bargaining, then that may not be the case. I know that our apprentices, in areas where we've had apprentices, through the collective bargaining process have done very well.

The Chair: Thank you very much, Mr Mannella, for your presentation this afternoon.

1340

ONTARIO CONSTRUCTION SECRETARIAT

The Chair: At this point I would call on the Ontario Construction Secretariat to come forward and introduce yourselves to the members of the committee and Hansard. Good afternoon, gentlemen. You have 15 minutes to use as you wish.

Mr Scott Macivor: Fifteen minutes?

The Chair: Twenty minutes, pardon me. I've been giving 20 minutes.

Interjection: I thought it was negotiations starting all over again.

The Chair: Starting to get off topic here. We've conceded very quickly.

Mr Macivor: Mr Chairman and members of the standing committee, the Ontario Construction Secretariat is a tripartite organization established in 1992 by the provincial government through legislation. The OCS board of directors is comprised of senior representatives from labour, management and government who represent thousands of contractors and over 100,000 workers, including more than 13,000 apprentices, all of whom are involved in

the industrial, commercial and institutional — often referred to as the ICI — construction industry.

The secretariat seeks to promote construction's tradition of excellence and supports ongoing efforts to improve the quality of construction in Ontario. We are grateful to have been invited to present our position on Bill 55 to you today.

My name is Scott Macivor and I am the chief executive officer of the secretariat. Joining me today on my left is Mr Patrick Dillon, our board president and a labour director, and on my right is Mr William Jemison, board secretary and a management director.

I'm particularly pleased to report that both the management and labour directors who represent the entire organized ICI construction sector in Ontario have unanimously endorsed both our submission and the remarks I'm about to make.

Recognizing the importance of these meetings and the large number of groups undertaking to present their positions to you, may I commend your particular attention to the recommendations summary which is the first page of our written submission.

Honourable members, we continue to openly question why a Bill 55 is needed at all for a construction industry with such a long and successful history of sound apprenticeship training. We do, however, recognize that the new act covers more than just the construction sector and that the government is committed to some form of legislation. We ask, therefore, that serious consideration be given to our suggested amendments, intended to improve the proposed legislation before the act is finalized.

Apprenticeship is a training approach that combines practical, on-the-job training with theoretical instruction. At the core of this apprenticeship system is the contractual relationship between the apprentice and the employer, a union or joint industry committee for the workplace-based training component. The system is therefore market-driven because the requirement for employment as a condition of entry into an apprenticeship ensures that the industry trains people to meet actual job demands. We strongly believe this employee-employer relationship needs to be a defining characteristic of any successful apprenticeship legislation and specifically recommend that apprenticeship remain a contractual relationship between the apprentice and the employer as a defining characteristic of the system.

Bill 55 also proposes to remove the current definition of an employer and replace it with the concept of a sponsor for the provision of the critical workplace-based training component and to repeal the reference to apprenticed wages under subsection 22(3) of the Industrial Standards Act. The secretariat believes this is problematic because there is no specific employment relationship inferred by a sponsorship or the general notion of workplace-based training. Secondly, in the absence of an employer-employee relationship, the protections of the Employment Standards Act will not apply. Conceivably, a sponsor could engage an apprentice for no wage or a wage that may be below the legislated minimum wage. Under

the existing Trades Qualification and Apprenticeship Act, the definition of employer was broad enough to allow for the other training entities to engage apprentices for the purposes of the system and to confer the wages as prescribed by the regulations.

To retain these critical elements of apprenticeship training, the secretariat specifically recommends that the definition of employer as specified in the current Trades Qualification and Apprenticeship Act be included in Bill 55, that workplace-based training be defined for the purposes of the act as training that occurs within an employer-employee contractual relationship and that subsection 22(3) of the Industrial Standards Act referencing apprenticed wages not be repealed.

The purpose clause as proposed in the legislation is a welcome addition to provide guidance in interpreting and implying the intent of this new legislation. However, we recommend that this clause needs to be expanded to include recognition for the importance of complete trade training rather than individual skill sets and the related impacts on health, safety and consumer and environmental protection. Indeed, as we point out in our paper, there are dramatic, measurable improvements in safety and fatality rates where comprehensive trade training is applied. It is also acknowledged that in many of the construction trades in particular the requirement for compulsory certification came as a direct result of concerns for consumer or environmental protection.

Therefore, we specifically recommend that the importance of training in a complete trade to health and safety, consumer safety and environmental protection be included in the purpose clause and that the reference to "restricted skill sets" be removed.

Ultimately we believe it will be the specific roles, responsibilities and authorities granted to the various proposed industry-driven apprenticeship committees that will best ensure a successful apprenticeship system. The forming and empowering of these committees must be a mandatory requirement of this legislation. Who can argue that persons from within a specific trade or occupation are not the ones best able to understand, determine and advise the government on the full range of specific skills required to properly perform the entire trade?

For many young adults desirous of participating in apprenticeship training, but also perhaps with new family obligations, financial considerations are a very real issue. In light of the tightening up of the employment insurance rules, the spectrum of no employment income becomes an even more serious drawback for those whose financial obligations demand the earning of a wage.

It logically follows that those within the industry are best positioned to understand the appropriate wage rates and apprentice-to-journeyperson ratios necessary to cost-effectively provide complete and comprehensive trade training.

It is in recognition of this logic that the secretariat has specifically recommended the legislation be amended to make the establishment of provincial advisory committees or industry committees for each certified trade mandatory

and that they be specifically empowered to recommend compulsory designations, using the criteria set out in the legislation, exceed the minimum standards for entry contained in the legislation, set the apprentice wage rate percentage of journeyperson wages and the journeyperson-to-apprentice ratios, distinguish between the different segments within a trade to apply more stringent requirements to specific segments, choose training delivery agents, and establish criteria for the issuance of certificates of apprenticeship and qualification and for the issuance of letters of permission.

Finally, the unique qualities and requirements of the construction industry have already been recognized in other Ontario statutes, such as the Ontario Labour Relations Act and the Employment Standards Act. We believe there is an important role for a construction sectoral council to address the human resource needs of the construction sector in general. We recommend the legislation provide for the separate establishment of sectoral advisory councils to provide advice to the minister on general apprenticeship and training issues.

It is our opinion that each advisory council would have representation from all related PACs and would give advice on enforcement, new trades, linkages to secondary school, funding allocations, youth apprenticeships, the setting of minimum standards where there is industry consensus, promotion of the red seal program, and national standards.

In conclusion, I remind you that the Ontario Construction Secretariat represents the opinions of both management and labour. The construction industry has invested a considerable amount of time and resources in providing advice to the government on reasonable reforms to apprenticeship. Our brief is meant to highlight those aspects of Bill 55 which do not currently represent the inputs previously provided and which we feel have serious implications for the ongoing success of Ontario's apprenticeship system, all of which is respectfully presented and I thank you for your attention. My colleagues are prepared to do the question-and-answer period.

The Chair: Thank you very much, Mr Macivor, for your presentation, which leaves us just about three minutes per caucus. We start with the NDP caucus.

1350

Mr Lessard: Thank you very much for your presentation. It's good to see submissions that come from both employers and from employees. I feel as though this is legislation that is of great importance, not only to employees or those who want to undertake apprenticeship programs but for employers as well, who have a need to have well-trained individuals who have transferable skills.

You have a number of concerns that you've raised in your submission. Have you been involved in consultations up to this point and, if so, what has been the response from the government?

Mr Patrick Dillon: I could take a shot at answering that. Yes, we've had a number of meetings over the last couple of years on apprenticeship reform legislation. I might point out this isn't apprenticeship reform legislation;

this is demolishing the bill and it's something totally different from apprenticeship reform, which we expected we were getting into.

But yes, we've presented the government with briefs from both management and labour and, as this document states and as my own document later on in the week will state, in the changes in this new bill we don't see where our suggestions have been recognized at all.

Mr Lessard: Do you have some suggestions for amendments to this legislation that you've presented, or do you think that this is a matter where we should just go back to the drawing board and start over again?

Mr Dillon: We would prefer the trades qualification act, make amendments to that, but if the government is intent on proceeding with this bill, then obviously we want the suggested amendments that we have here.

Mr Lessard: Are those amendments included? Do you have actual wording for the amendments in here, or is that something that you may be able to —

Mr Dillon: No, I'm just talking in principle to what changes we'd like to see.

Mr Lessard: All right. If you have specific suggestions for amendments I would encourage you to provide those to the committee as well.

Mr Dillon: OK.

The Chair: From the government side, Mr Smith.

Mr Smith: Thank you very much for your presentation today. I just wanted to get some clarification on item 3 in your summary of recommendations, specifically the reference to "employer." My understanding is there are about 4,000 apprentices who are currently under contract with local apprenticeship committees. Would that be right? Are apprenticeship committees not common supporters or sponsors of training agreements in the construction sector?

Mr Dillon: As defined in the trades qualification act, yes, but really, because of the unique nature of the construction industry with the high number of small employers, the LAC represents signing of contracts that individual employers would have to do.

Mr Smith: So the committees are employers of record.

Mr Dillon: They're the employer of record, but they're not the employer.

Mr Smith: So the inclusion of "sponsor" as proposed in this legislation, would it not more appropriately meet what you're already doing through your LACs?

Mr Dillon: In my view, no. I believe that, for the construction industry, if the system isn't broken, what are we trying to fix and who are we trying to fix it for? Because there sure as hell haven't been any complaints come forward from the construction employers or the workers that the LAC component doesn't work. I believe what you're trying to do with sponsors is open it up so that persons can sponsor themselves, that no employer exists.

Mr Smith: In fact, what we're trying to do with the definition is, in part, recognize what I think you're already doing and as well open up sponsorship to other groups, such as native groups, women's groups, the national defence department, for example. That's what the broad-

ening of the definition is designed to do, but I'm sure we'll have opportunity to talk about that issue at a later time if I'm not properly understanding how it's been presented here.

Do I still have a little bit of time here?

The Chair: You have about half a minute left.

Mr Smith: In terms of the restricted skill sets, if we could just revisit that for a moment, I would like to again get your explanation as to your opposition of the terminology "restricted skill sets."

Mr Dillon: I'm a tradesperson myself. I have not met a tradesperson or an apprentice yet who's in favour of this bill. I've never met anyone who employs apprentices who's in favour of this bill. I haven't heard anyone speak here who's in favour of this bill. I think one of the fundamental problems is the skill set area. There is no one, particularly in our industry — maybe it works in the industrial sector; I believe myself that it won't — in this sector, who believes that there is an employer who wants to hire an electrician who has two out of eight skill sets. I don't think the government of Ontario has taken a very responsible position by training people in that nature and exposing the consumers out there to unsuspecting tradespeople who will come around saying they're an electrician, as an example, when they've only got two of the eight skill sets.

I'll just give you a quick example. If a person is a pipe installer and a cable puller — that's two of the eight skill sets — and they get laid off because there's an economic downturn, they are going to be telling people they're an electrician. They are going to put an ad in the paper advertising that they can come and do your work. There isn't someone coming around policing that licence. You're going to call. They're going to come to your house and hook up your pool, and you are exposing your kids to being electrocuted because the electricians on a pool are being hooked up by someone who isn't qualified.

It's easy to say, "We're going to police this." With the full licences it isn't being policed, but with the trade schools the way they're set up and the industry involvement, at least we have people who have seen a broad spectrum of the trade before they come out to do that kind of work for you.

Mr Caplan: In the brief, you talked about the national red seal program. Is it your belief that Ontario's participation in that program would be jeopardized if Bill 55 were to pass as it is right now?

Mr William Jemison: With the trade I'm involved in, we're having problems getting there anyway. I happen to represent 300 or 400 employers involved in steel erection, with the ironworker trade. We want more skills. We want our people more highly trained rather than less. I'm afraid I'm not a tradesman. I don't live in a theoretical world; I live in a very practical world. The people I represent build your schools, your hospitals, your prisons, your nuclear plants, buildings like the one we're sitting in, SkyDome, the CN Tower. We want very skilled people to do those jobs. We're not talking about changing a washer in your home or putting in a light switch or changing a light bulb.

We need the best-skilled people we can get, who are mobile, who can work all across Canada, getting back to your question, not just in Ontario, because a journeyman, a journeyperson, journeys. Without all those trades, he isn't going to be employable across this country.

Mr Caplan: One more question. You talked a great deal about the role of these provincial advisory councils. They way it is stated in Bill 55, I believe there are a few sections, but the one that's most salient says, "to promote high standards in the delivery of apprenticeship programs." What does that mean to you? I have my own ideas about it. Could you comment on how you interpret that? You don't?

Mr Jemison: No.

Mr Caplan: I think we'll leave it at that.

The Chair: Thank you very much for your presentation this afternoon.

1400

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

The Chair: At this point we will call the International Association of Machinists and Aerospace Workers. Good afternoon, sir. If you could for the record introduce yourself for the members as well as the Hansard record.

Mr Louis Erlichman: My name is Louis Erlichman. I'm the Canadian research director for the International Association of Machinists and Aerospace Workers. I'm making this presentation on behalf of our Canadian vice-president, Dave Ritchie, who is unfortunately unable to be here. I'll read the presentation and then I'll be open to questions.

I'd like to thank the committee for the opportunity to present the views of the International Association of Machinists and Aerospace Workers on Bill 55. We must also, however, express our deep concern over the limited public consultation — there are going to be hearings in only four locations over less than a week — on legislation that will have a fundamental impact on the training system in this province.

The IAM represents approximately 20,000 workers in Ontario, in a broad range of industries in the transportation, manufacturing and service sectors. When the IAM started over 100 years ago, it was as an association of journeymen machinists, but it has been for a long time an industrial union representing workers with a wide range of skills. We still, however, represent many workers in skilled trades and maintain a strong interest in training and apprenticeship issues.

We are strong believers in the value of apprenticeships. Nothing can replace the breadth and depth of skills provided by a structured combination of formal classroom training and hands-on instruction on the shop floor by experienced workers. Now more than ever, young workers need the broad practical base of knowledge provided by a full apprenticeship to provide the foundations for a

lifetime of adaptation and learning in response to workplace changes.

We come before you today to ask you to recommend the withdrawal of Bill 55. We do this not because we believe the training and apprenticeship system in this province is perfect and not in need of change. In fact, apprenticeship has many problems, particularly in the industrial sector. The biggest problem is that there are simply too few active apprenticeship programs and too few apprentices in Ontario. Unfortunately, Bill 55 will make the system worse rather than better.

Historically, too many employers in Ontario have ducked their responsibilities for training. Too many employers expect job-ready workers to be waiting on their doorstep whenever the need arises, but are unwilling to provide the broad training that will provide a productive workforce for the long term. Too many employers have expected and continue to expect that if there are no workers available with the skills required, they can be pirated from other employers or imported from abroad. Ironically, the same employers who complain constantly about skills shortages are typically the ones who refuse to provide the training that will provide the skilled workers they want. Too many employers want a cheap, just-in-time workforce, and we all pay the price.

The failure to train costs not only employers, but our young workers. We have persistently high levels of youth unemployment and underemployment, and young people eager to take any kind of training. What young workers need is a broad base of training like that provided in a full apprenticeship that will equip them for a long working career. A large part of that training should take place on the shop floor, where young workers can have access to a broad range of the latest equipment and techniques, as well as direct contact with experienced tradespersons. What too many are being offered is at best a minimum amount of training necessary to get them going on a particular job, and often not even that. Bill 55 will only make this worse by undermining the apprenticeship system.

The short-sighted failure to train our young workforce effectively costs not only employers and young workers but all of us in Ontario. Poorly trained workers make for unhealthy workplaces and unhealthy environments that provide poor-quality products and services. A healthy economy built on a viable industrial base depends on a workforce with a breadth of knowledge and experience to bring innovation to the shop floor. A narrowly trained workforce will not sustain a vibrant economy.

Bill 55 removes the standards from Ontario's apprenticeship legislation. All the rules on apprentice-journeyman ratios, wages and minimum contract duration are deleted by Bill 55. It's ironic that a government that prides itself on bringing in province-wide standards in education is removing all provincial standards from apprenticeship legislation.

Bill 55 encourages the development of a workforce with only a narrow range of skills and experience. Bill 55 provides for apprenticeship programs based on restricted

skill sets, to be defined by ministerial decree. It will allow trades to be chopped up into these restricted skill sets so that workers will be left with a narrow range of skills and only short-term, dead-end employment prospects. Without provincially enforced standards, there is no basis for broad recognition and acceptance of qualifications, and portability within the province and across Canada is undermined.

While the regulations are not yet available — which is a problem in itself, since too much is left to ministerial decree, regulations and guidelines, which are not subject to public scrutiny — Bill 55 clearly provides for the dismantling of the apprenticeship system trade by trade. Rather than the phony promise of increased opportunities for training and increased numbers of apprentices, Bill 55 takes away employer responsibility and places it all on young workers. In fact, the legislation refers to sponsors rather than employers. The individual worker has to try to cut a deal with a sponsor to get some recognized training in a particular skill set. Young workers, vulnerable and desperate for training, may even be required to pay a fee to a sponsor simply to be considered. The sponsor is not even required to have qualified journeypersons do the training.

Bill 55 is a bad piece of legislation. It is taking apprenticeship in Ontario in the wrong direction. It should be withdrawn.

We need real reform that will expand true apprenticeship and put some real responsibility on employers. Young people need the broad training that will give them a base of portable skills to build a career on. We need to expand greatly the number of regulated trades. We need enhanced, not weakened, standards, and the resources to support and enforce them.

A well-trained workforce is a key part of Ontario's industrial future. We urge this committee to reject Bill 55.

The Chair: Thank you very much for your presentation. At this point we have about three minutes per caucus, and I would start with the government caucus.

Mr Steve Gilchrist (Scarborough East): Thank you, Mr Erlichman. I appreciate your coming in. I must say that it's sometimes disappointing — in your preamble you bemoan the lack of time for hearings. I've gone through your brief, and even though you very pointedly say, on your very first page, that there are problems in the current apprenticeship, I don't see a single suggestion in here on how we could make it better. I am somewhat intrigued why you would think coming forward to just say that certain things are bad and not positing ways to improve the bill is of assistance to us.

Let me ask you a very specific point. You comment in a number of areas that this bill takes away certain things. Are you aware that most apprenticeships aren't two years? The minimum is two years in the current act, but most are three to five years. How did that happen if things must be in the bill very specifically for it to happen? How did industry and labour move to three to five years if the government had said two?

Mr Erlichman: To start with your first question as to why I'm talking about withdrawing the bill rather than proposing a whole series of amendments, or why we are doing that, practically speaking, this is a very general piece of legislation. There are no regulations to go with it. It moves in a certain direction. To suggest a whole series of amendments as to essentially reverse the direction of the bill — if it were Robert's Rules of Order, the chairman would rule it out of order to come up with amendments that essentially reverse the direction of the legislation.

Our belief is that, number one, there are not enough apprenticeships in this province, certainly not in the industrial sector. Historically, employers have relied on importing skilled workers, particularly in the industrial sector. They have not been required to do the training. Our union has supported a levy-grant system which would require employers to contribute to a training fund, and those employers who actually train could draw on that training fund to pay for apprenticeships. That would be one basic way to try to expand the system. There are a whole set of others, and we can go into a whole range of things to improve the system.

The problem we have in dealing with this bill is that it opens things up. Why are there three-year apprenticeships, four-year apprenticeships, five-year apprenticeships? Because employers and workers, people in the trades, realized that was required and realized it would continue to be required. In fact, it is more required now than ever as things become more complex.

Learning specific skill sets — employers may decide they want somebody who has a particular skill for this week, this month, or the next three months, and that's all they want to train for. It may suit their purposes. It's expensive to do real apprenticeships, to train people with a trade, with a skill, with a set of skills that will give them a basis for their lives. As an individual employer, if they can get around that, they'll avoid it. They're going to take the easy route. Unfortunately, this legislation seems to be heading in the direction of letting them take the easiest route.

Mr Gilchrist: We recognize the same flaws —

The Chair: Thank you, Mr Gilchrist.

1410

Mr Gilchrist: — but I think Mr Erlichman should be encouraged that it's up to the Chair to decide what amendments are or are not in order.

The Chair: Mr Caplan.

Mr Gilchrist: I hope you will avail yourself of the opportunity to send specific suggestions to improve the bill, and address the very problems you yourself say exist.

The Chair: Mr Caplan, please. We'll give you a couple of extra minutes.

Mr Caplan: Thank you, Mr Chair.

Interjection.

Mr Caplan: The member loves to hear the sound of his own voice.

Mr Erlichman, thank you for your presentation. It was quite well thought out. I was wondering if you or the

organization that you represent have been a part of any of the so-called consultations that have taken place to date.

Mr Erlichman: We have representatives on provincial advisory committees for trades like machinists. I'm not sure that in any formal way they were involved in consultation on this particular piece of legislation.

Mr Caplan: One other question. I have a letter here — it was actually referred to in a brief earlier, but I'm sure you could answer it — where all of the chairs of the provincial advisory committees around the province, employers and employees, industrial, construction service and motive power, have said, talking about skill sets, that the government is moving in entirely the wrong direction. Your organization, as a part of the industrial group, would have signed on to this, so to say that you haven't given any suggestions to the government about what they're doing or what they ought to be doing I don't think would be a truly accurate statement.

Mr Erlichman: Through that particular forum.

Mr Caplan: There was one fact that came out in all of the discussion that has taken place with all the different groups, and that was the need to strengthen the role of provincial advisory councils. Do you agree with that notion?

Mr Erlichman: Yes. I think basically the people in the trade, and I'm not a tradesperson myself, know best what has to happen.

Mr Caplan: Do you believe that Bill 55 does that?

Mr Erlichman: I don't see that anywhere in the bill.

Mr Caplan: It does say that the role is now to promote high standards. Do you not do that already?

Mr Erlichman: It's hard to understand how it's going to promote high standards. There's nice sounding rhetoric at the beginning of the legislation, but there's nothing in the legislation that leads one to believe there is anything to follow up on the rhetoric. That's our problem.

Mr Caplan: In fact, the legislation is mostly to-be-defined powers by the minister. It's basically saying: "Trust me. I'll take care of this." Would you characterize that as being what Bill 55 does?

Mr Erlichman: Largely, yes. It sets the stage for essentially ministerial decree, order-in-council decree, rules, guidelines, or lack thereof.

Mr Caplan: And it can be changed at any time subsequently.

Mr Erlichman: That's right. It's unfortunate, and it's not limited to this legislation, that this seems to be a general government direction — it's the same in the federal government — where it all becomes more and more arbitrary power and less and less actually in legislation.

The Chair: Thank you very much, Mr Caplan. Mr Lessard.

Mr Lessard: You say that you represent 20,000 workers in Ontario. What percentage of those would be skilled tradespersons?

Mr Erlichman: I couldn't tell you. I couldn't give you a number.

Mr Lessard: Is it a big part of it that are skilled tradespeople?

Mr Erlichman: It's a big part, but I wouldn't even venture to guess whether it was 30% or 50%. We've never actually done that kind of analysis. It varies by group. In some situations we represent a strictly skilled-trades group; in other situations we represent everybody in a bargaining unit in a whole industrial establishment.

Mr Lessard: In your remarks you referred to Bill 55 as a phony promise of increased opportunities for training and increased numbers of apprentices. Why do you think the promise by the minister that there is going to be a doubling of the number of people in apprenticeship trades is a phony promise?

Mr Erlichman: There's nothing in the legislation that would actually lead to the expansion except to the extent that they set up a set of phony trades. If you start calling any kind of cut-down piece of trades training on a particular skill set or particular skill an apprenticeship and say anybody can sign a deal and have a certificate, you can create the impression that there are many more apprentices when in fact there are actually fewer people doing full apprenticeships than there were in the past. That's the concern we have.

Mr Lessard: I think you've really hit on one of the key points or key directions that this legislation represents, which is that employers really do want a cheap, just-in-time workforce. That's really what this is heading towards.

Mr Erlichman: It's funny that sometimes there are a limited number, and you will see it in the industrial sector, small machine shops, tool and die, people for whom it's very expensive and difficult to have apprentices, and they have apprentices because they themselves were trained in this way, usually in Europe, and they figure it's a part of doing business. The way you do business is you bring on apprentices and you train them and you pay the cost and you develop that kind of workforce, but unfortunately it's a very small minority in the industrial sector.

Mr Lessard: The suggestion you're making is for employers to have a mandatory obligation to provide training opportunities for people, and you have suggested the training fund as an idea?

Mr Erlichman: Yes. We have suggested for a long time that there be a mandatory levy, and that if you do not train, you pay into the levy, and if somebody else trains, they get a grant from that levy to cover training costs, because real training as opposed to just cheap labour is expensive. Real apprenticeship is very expensive.

Mr Lessard: That's why we in our area as well have been bringing people in from Europe for a great number of years, but I think that supply has been exhausted and we'd better have those training opportunities here in Ontario.

The Chair: Thank you very much, Mr Erlichman, for your presentation.

ONTARIO HOSTELRY INSTITUTE

The Chair: At this point we will call the next presenters, the Ontario Hostelry Institute, if they could come forward. Good afternoon, Mr Grieco.

Mr Charles Grieco: I will try to keep my oral remarks briefer than the written remarks, of which I have given you each a copy.

My name is Charles Grieco and I am here in two capacities. The first is as chair of the PAC, the provincial advisory committee for the trade, or rather the profession of cook, and second as chair and president of the Ontario Hostelry Institute, a not-for-profit institute which belongs to all members of the hospitality-tourism industry.

The institute is mandated to work to ensure the excellence of post-secondary education and programming, both skills-based and knowledge-based, for this economic sector, the hospitality-tourism industry, and to help provide very focused assistance to the men and women who are pursuing professional careers in the post-secondary institutions of this province in preparation for their entry into this sector.

In these capacities, I have come to be involved with apprenticeship reform and the present Bill 55, and the extensive discussions surrounding this initiative that began in late 1996. In fact, the discussion paper that began this process and commenced a long dialogue between our industry sector, the minister and his policy staff, the various members of the Ministry of Education and the apprenticeship reform project group began in December of that year. They have continued unabated on a very regular basis until today. I believe that the discussions, consultations and dialogue have been exhaustive, open and productive.

The economic sector that I represent here today is known and used by everyone around this table and circle. It requires no further embellishment from me.

Apprenticeship is but one training tool, albeit among our most effective, in our ability to develop professionally trained men and women who are able to ensure that the highly skilled human resource component necessary to make this possible is available to fully staff and service this extremely competitive and growing economic sector. There are at present almost 2,700 apprentice cooks, assistant cooks, bakers, baker-pâtissiers and junior bakers in Ontario.

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Bill 55 represents legislation that will provide for the Apprenticeship and Certification Act, 1998. It facilitates, enables and makes possible a reformed platform of skills-based training and gives credibility and new meaning to the old adage, "Everything that is old is new again." We, as an industry sector, do not take lightly our responsibilities to a leadership role in apprenticeship or to this process that presages reform and requires, rather demands, greater involvement by the industry, its leadership and its members.

While marshalling the resources and the leadership of this industry may seem at times akin to herding cats, our ability to innovate, to grow and to provide professional long-term career opportunities that represent a mass and a significant economic dynamic is sometimes greatly misunderstood and underrepresented. While we are arguably the second-largest employer of people in this province and

the largest employer of people in the world, the number of apprentices currently in place represent a huge opportunity to do much more, and we view this legislation as being about developing that.

I have given you certain statistics about the industry which indicate the opportunity that exists to put in place apprenticeships in these areas of cooks, bakers and pâtissiers.

Why are we here at this committee today talking about Bill 55? It is my belief that the current Bill 55, as it has been proposed and passed at first reading and is now being considered by this committee, will do very much to ensure that our industry sector and our apprentices are better prepared to meet the challenges and opportunities of today and tomorrow. While no piece of legislation may please or meet every narrow need of every constituency that such legislation touches, Bill 55 provides for and enables skill-based apprenticeship in very broad, transparent terms that permit each trade and economic sector in the hospitality-tourism industry to proceed and develop and grow.

The hospitality-tourism sector asked for exactly what Bill 55 provides, and I believe this was accomplished through the process of a very open discussion and the extensive consultations that have resulted in Bill 55 that you are considering here today.

Work has begun to develop the appropriate policy and regulations to accomplish the enabling intent of the legislation. Consultations and discussions have already taken place in this regard, and comments have been solicited from our industry sector in response to the work. It is our belief that the policy and regulations will allow for industry-specific requirements that go beyond those few generic requirements that are necessary to provide for the general administrative structure of the proper operation of the apprenticeship system. This is consistent with our request contained in our response to the discussion paper that initiated the reform in the present legislation.

It is my hope and the hope of our industry that the policies and regulations will continue to reflect the promise that the result would be a non-cookie-cutter approach that would enable a truly modern version of what must continue to be regarded as one of the world's most historic and effective professional skills-based training systems.

The hospitality-tourism industry would encourage you to recommend to your colleagues in the Ontario Legislature that you proceed with the passage and enactment of Bill 55, as it has been presented, at the earliest possible moment. As I stated earlier in this presentation, Bill 55 facilitates, enables and makes possible a mandated platform of skills-based apprenticeship training that is contemporary in its intent without destroying those compelling elements of skills-based apprenticeship training that are so effective in their outcomes. It gives credibility and new meaning to the old adage, "Everything that is old is new again." Thank you.

The Acting Chair: We have about four minutes for each response. I would start with the Liberals.

Mr Caplan: I have a couple of questions. In your brief — I don't think you mentioned it in your comments — you support the imposition of tuition for apprentices. That's correct?

Mr Grieco: Yes.

Mr Caplan: The ministry did a survey, and in their user survey, when they went out to apprentices asking them if paying a tuition was going to become a barrier to going into the apprenticeship area, over 50% said yes. It was actually a sliding scale, depending on the level. But upon full cost of the in-school portion, more than 50% said they would not go into the trade or into the apprenticeship area if they had to pay the full tuition. Does it concern you that people might not want to go into your particular industry or be barred from going in because of the imposition of tuition?

Mr Grieco: Mr Caplan, one is always concerned about the cost of anything we do, especially the increasing cost of tuition. We asked that the legislation reflect some of the realities of the cost structure, and the uncertainties of the future funding of the current skill-based apprentice system necessitated our commenting on that.

While the legislation remains silent on this subject of tuition and apparently always has, the promised labour market negotiations apparently have not resulted in a solution to these suggestions. We continue to believe that apprentices, as employed workers, should be expected to contribute to their training costs. Such costs are an investment in their future and ways must be found to ensure that such investments are able to receive the same assistance as other post-secondary programs are at present.

Mr Caplan: I appreciate that, but are you concerned that the payment of tuition would be a barrier?

Mr Grieco: The industry is not.

Mr Caplan: OK. I have another question. I think you said in your brief that the provincial advisory councils are going to have the ability to make some decisions. I was reading through section 4 of the bill, which outlines the powers of the provincial advisory councils. There is no enforcement capability for the provincial advisory council in your sector. So how are you going to have the ability to enforce any of the standards, any of the academic requirements, any of the wage provisions, any of the ratios or any of the general standards that you feel you're going to be setting?

Mr Grieco: If you and your committee in your wisdom wish to put in enforcement provisions, we would certainly be in agreement with that. We think if we have provincial advisory committees, they should be accountable, and if they are accountable, then they must also be given the parallel ability, certainly, to perform.

Mr Caplan: I can assure you that I will be introducing an amendment that you've said you would be willing to support. I would urge you to speak to all members of this committee to support such an amendment.

Mr Lessard: Thank you very much for your presentation. I come from the city of Windsor, where the province's first casino is located. It's a pretty impressive

facility. I don't know if you've been there, but one of the initial concerns of the operators at the casino was a shortage of cooks and chefs. That shortage continues and probably will continue in the foreseeable future. We've seen a tremendous growth in the hospitality-tourism sector in our community.

The minister talks about the increase in the number of people who are going to be involved in apprenticeship programs, and he made an announcement down at the Royal York Hotel with his projections about how he's going to double the number of apprentices involved in training programs and specifically touched on the need for chefs in Ontario. You've mentioned a number of suggestions you have made to the government that they've dealt with to your satisfaction. What I don't see in your brief is, how is it that the changes that are in Bill 55 are going to encourage more young people to become chefs, for example?

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Mr Grieco: I'm not sure the legislation should be regarded as a marketing tool. That's up to us as an industry. We understand what our needs are and understand that if we're going to grow at all, then that is up to us. That's the work we as a PAC and the industry in partnership are about at the moment. Those discussions are beginning to take place as we speak.

It begins by convincing high schools and our guidance counsellors in high schools that there is another opportunity besides being, you'll forgive me, a lawyer, an accountant, a doctor and an engineer. There's a career opportunity to be cooks and bakers; there is a real career path developing. This is work that we are beginning to do and will continue to do. The industry is committed to that and the industry is committed to working with the Ministry of Education to see that this becomes a reality. With only 2,700 apprentices in place and the largest industry and the largest employer speaking, one has a lot of work that can be done.

Mr Lessard: We have a chefs program in Windsor. The youth apprenticeship program is quite active in our community, but still we have those shortages. I'm wondering whether any of these initiatives that you're talking about couldn't be undertaken pursuant to the existing legislation. Why do we need to bring in these changes, and if it hasn't happened, why hasn't it happened? Why do we still have these shortages?

Mr Grieco: I don't think one has to do with the other. I don't think the reform has to do with the growth of apprenticeship. I think that came about, but it didn't depend on reformed apprenticeship. There were other reasons for that.

Mr Smith: Thank you for your presentation, Mr Grieco. I just want to be clear. You made a number of comments with respect to Bill 55, but in your opinion, does Bill 55 in any way compromise the future of the trade of cook?

Mr Grieco: We certainly don't view it that way. The industry does not view it that way.

Mr Smith: We've had as well a number of opinions expressed with respect to the role and functions of the PACs. Do you feel or are you confident that the six-some-odd areas of PAC responsibility as identified in Bill 55 are appropriate?

Mr Grieco: We think they are generally appropriate. As I said earlier, we would like to see it increased and we would like to see accountability.

Mr Smith: Although tuitions are not a part of Bill 55, my colleague raised that issue. Given the provinces of Alberta, Nova Scotia and New Brunswick have all implemented tuitions for apprentice, do you have any experiences with the impacts of apprentice in your particular trade area?

Mr Grieco: My information tells me that there has been no reduction in apprenticeship because of tuition.

Mr Smith: If I have another colleague who wants to ask a question, just as a point of clarification: It's my understanding, in terms of the tuition issue itself, just so that you're clear as the deputant, of the 1,200 apprentices we surveyed, over 60% said they're willing to pay some sort of tuition fee towards their career. I just wanted to put that on the record because I know there was some dialogue between one of my colleagues and yourself.

The Acting Chair: Any other questions from the other members? There are a few moments left.

Mr Lessard: Mr Chair, just to follow up on the parliamentary assistant's submission about the survey that was done, I wonder if that's something that can be tabled with the committee.

Mr Smith: I'm sure we will be able to take it under advisement. I'll undertake to table that information with you so that it can be made available.

Mr Lessard: Thank you.

The Acting Chair: If there's nothing further, we thank you, Mr Grieco, for your presentation and for your input today.

MECHANICAL CONTRACTORS ASSOCIATION OF TORONTO

The Acting Chair: We call on the Mechanical Contractors Association of Toronto. Good afternoon, gentlemen, if you'll identify yourselves.

Mr Jack Cooney: First of all, let me thank you for the opportunity to address the panel today. We are making this presentation on behalf of the Mechanical Contractors Association of Toronto. The Mechanical Contractors Association of Toronto is made up of 70-plus contractors ranging from the largest to the smallest in Ontario, everything from doing the CN Tower, the Dome, right down to doing the housing area. There are some 30 associate members as well, as part of that organization. They hire their qualified plumbers and steamfitters from the Plumbers and Steamfitters Union Local 46, which has some 3,500 certified members of the plumbing and steam-fitting trade.

Representing the Mechanical Contractors Association of Toronto here today is Brian McCabe, the executive

vice-president. I must add that Brian served an apprenticeship as a plumber, then went on to be a journeyman, foreman and superintendent before becoming the executive vice-president of MCA Toronto. I also have with me Craig Smith from MCAO, which is the umbrella group that represents the MCAs of Ontario, and Joe Dobo, who is a third-year plumber apprentice who has just completed his basic apprenticeship.

I'd better introduce myself; it might be helpful. I'm Jack Cooney. I'm the educational coordinator for the joint training and apprenticeship committee, which is made up of six management from MCAT and six from Local 46. My background consists of my plumbing apprenticeship and becoming a certified journeyman, foreman and estimator. For the last 25 years I have been the educational coordinator for the joint training and apprenticeship. During that 25 years some 4,000 plumbers and steamfitters, both men and women, have started and finished their apprenticeship with me. At this time I have some 350 apprentices going through the system. I believe this background allows us to speak with some authority on the subject and to give some insight into Bill 55.

We must start by saying we are talking for the construction industry. We're not talking for other industries like the one before me, the bakers, nor do I think others should speak for the construction trade. I think we have to agree to speak for the subjects we know.

We agree with the minister when he says that one size does not fit all. The Minister of Education and Training, Dave Johnson, in his speech June 25, 1998, to the House before introducing Bill 55, said:

"Mr Speaker, the current apprenticeship legislation and training system has served some sectors well. We know, for example, the high quality of the training in the construction industry."

We agree it has served construction well, and we believe Bill 55 will distort and be a disastrous step for the construction industry in trying to make that "one size fits all." Construction varies from the other sectors in the area of workers' movement, such as job-to-job, employer-to-employer, and mobility across Canada and the US. The cyclical fluctuation of the industry and the way of doing business also set construction apart. We recommend that the present Trades Qualification and Apprenticeship Act be retained for the construction industry.

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The purpose clause sets out the purpose of the act. The purpose of the act is "to support and regulate the acquisition of occupational skills through workplace-based apprenticeship programs that lead to formal certification." This would lead you to believe that only a full trade or occupation would be certified. However, the definition of "apprenticeship" states "occupation or skill set as part of an apprenticeship program." Therefore, I could be certified with as little as one skill. As well, the purpose clause goes on to say, "to expand opportunities for Ontario workers," while in our opinion it will lessen the work opportunities and the ability of them to be mobile. As for increasing competitiveness in Ontario business, it

will not help the construction industry; in fact, it can only hurt competitiveness.

The MCAT, or Mechanical Contractors Association of Toronto, would not, nor could it, hire a part-time journeyman or skill-set journeyman. When we get to projects, we hire a plumbing journeyman to do the full job, not part of it. Also, as the workplace trainer, we will only produce fully competent tradespeople.

Recommendation: We believe there should be a purpose clause, but it should be on training a complete tradesman or tradeswoman and should include training, safety, consumer protection and environmental protection. As well, the definition of apprenticeship must be rewritten to reflect the full trade.

Sponsors: Bill 55 lets a committee of teachers or shoemakers or anything else you would like to make up sponsor a plumber, in which case they would have no knowledge of or input into workplace training. We believe that only a workplace trainer should be the sponsor. They are the only people who have control of the training. However, as the construction industry apprentice moves from employer to employer, this could be the trade apprenticeship committee, who could act on behalf of those employers. Any others would not have input into the apprenticeship training or job placement and therefore should not be sponsors.

We recommend that the existing tradesmen's qualification act be used with an employer-employee relationship.

Bill 55's restricted skill sets: The Mechanical Contractors Association of Toronto states in the purpose clause that the complete trade must be restricted in order to protect the health and safety of the public, as well as for consumer protection. For example, a certified plumber must be compulsory as he is dealing with potable water which, if contaminated due to improper installation or cross-connection, could result in everything from sickness to death. Another part of the trade is the waste system, which at all times contains bacteria which can create a health risk of epidemic proportions. Medical gas is another area of possible health problems. These are all interrelated, and a certified plumber is the only one properly trained to handle these situations. Therefore the total trade should be restricted or compulsorily certified.

Recommendation: Use the existing tradesmen's qualification act requiring the complete trade to be compulsory.

Abandoning the ratio of apprentices to journeymen could lead to more apprentices than journeymen. As well, the journeymen may not be on the site. Therefore, the training and supervision would not be there, which would lead to more accidents, poor workmanship and less training. This is not good for the apprentice or the consumer. Therefore, not only is there a need for a ratio; there also is a need to have direct supervision of an apprentice. We also believe the provincial advisory committee for the trade should be the one to set ratios and have the power to enforce them.

The recommendation is that the present tradesmen's qualification act be used until the provincial advisory committee can review the ratios.

Wages: Wages are an integral part of the apprenticeship system of earn-while-you-learn, and the more you learn, the more you earn. Bill 55 would make the apprentices cheap labour, as all new skill sets would be seen as basic learning. Therefore, the lowest wage possible would be there.

For example, a first-year apprentice — and I use the phrase “first year” here only in the respect of having a level — learning to install the fixture skill set would be paid minimum wages. Therefore, the 5th-year apprentice learning the skill set of fixtures would also get minimum wages. It does not consider other skills required or years of experience. Therefore, there should be some standard for wages that reflects the knowledge already learned. Bill 55 is not for the apprentice, who has to bargain against the employer for a decent wage. It is for the employer to get cheap labour.

It's recommended to keep the tradesmen's qualification act, with wages being a percentage of a journeyman's, until the provincial advisory committee can come forward with a better way of establishing a proper wage rate system.

In closing, I would like to also add that the construction industry believes the present tradesmen's qualification act has nothing wrong with it. There are some minor flaws, and like anything else we change as we go along, but it should be retained for the construction industry because, in the minister's words, it has served the industry well.

The Acting Chair: Thank you, Mr Cooney. Do any of your colleagues want to make any comments, or do I go directly to questions?

Mr Cooney: Not at this time, Mr Chair.

The Acting Chair: Then we'll start with Mr Lessard. We have about three minutes.

Mr Lessard: I'm going to be fairly brief and ask, if you are consistent in your belief that the trades qualification act that's in existence right now serves your industry well and you're asking that it be continued, perhaps there may be some changes that you might suggest. But if that's the case, why do you think the government is bringing in these wholesale changes in Bill 55? What do you think is driving that initiative?

Mr Cooney: I believe what's driving the initiative is their commitment to double the number of apprentices in the province. To get that, I believe it's not concerned with the apprentices or the safety of the public, but their commitment to double the number of apprentices. “If we can put two out there cheaply, let's do it.”

Mr Lessard: So do you think it's an attempt to drive wages down as well?

Mr Cooney: Correct.

The Acting Chair: We'll go to Mr Froese, who I believe has some comments or questions.

Mr Tom Froese (St Catharines-Brock): Thank you for your presentation. I would like to continue on the concern about wages. In simpler terms, or bottom line, is it not correct that you establish with provincial advisory committees, PACs, with industry, employers and employees — do you not set that wage rate now, as it is? You

talked about your concern that some of these entry-level positions would be at minimum wage, but under your collective bargaining agreements, under your agreement with your employers and the industry, aren't you paying more than that right now?

Mr Cooney: Yes, under the bargaining agreement, if you want, under the union, what we're looking at is an industry here. I didn't realize we were looking at union and non-union. I thought we were looking at an industry that says, “We'll drive them down and make the industry suffer for trying to increase the number of apprentices.”

Mr Froese: That's correct, but under the agreement that you have within the industry, those levels are much higher than minimum wage right now, even though there's a minimum standard in the current act. So by removing that, I really don't understand what your concern is. If already the industry is paying wage levels that are higher than minimum wage, why the fear? The act creates the flexibility, as I'm sure you understand, to negotiate these things. That's already in the industry and already in the trades with the employer and the employee.

Mr Cooney: The provincial advisory committee has set the wage rates as well as the regulations right now that set the wage rates at 40%, 50%, 60%, 70%, 80%. The industry is following those recommendations of the provincial advisory committee, which is set under regulations, which is then obtained by all.

Mr Froese: So your fear is that's going to change?

Mr Cooney: Once again, if the wage provision is removed, it is fair game for everybody, whether they're union or non-union, to go back out and negotiate for the wage rates.

The problem we have, of course, is the individual apprentice who is working for some contractor out there who has to go in and negotiate his own wage rate against his well-established employer. In fact, it is not giving him or her the ability to do that, and at the same time would then lower the standards for that industry.

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Mr Froese: But what we're seeing right now is that that's not happening. I just don't understand the concern, because it's not happening right now, and it won't be under the bill.

Mr Caplan: Mr Cooney, thank you very much for your presentation. A question for you: If somebody is trained in a particular number of these skill sets — and your industry, I assume, has a certain cyclical nature to it, as most do — when the cycle goes into a more difficult cycle, oftentimes that tradesperson with the full complement of skills will be able to move somewhere else. If you're only certified in particular blocks of skills, in your opinion, do you think people would have the kind of mobility to be able to get jobs elsewhere?

Mr Cooney: They would not have the ability to be mobile. At the same time, I don't know how you would recognize it. I don't know how I would go to an employer and say, “I have these skill sets, hire me,” when in fact he does not hire by skill sets. You've got to go by the nature of the business. If you take the construction trade, if we go

on a building and, once again, the drywall's not up, we have to switch and go do something else until that's ready and move over. So we must be mobile within that. When you have a skill set, you cannot be mobile. We do not build a building by somebody going in and putting all the hangers in and then somebody coming back and putting all the pipe in, and then somebody coming back and soldering all the joints. It just is not built that way. We've got to live with reality.

Mr Caplan: The other aspect which concerns me is that if, in the nature of work, somebody found themselves out of work because their skill set was not needed right at that moment in time — it may be at some later time — in order to get work they might pass themselves off as a skilled worker to the public. You have so many of the skills in a particular area and you say, "I'm a plumber," or an electrician or a carpenter or a millwright, whatever it happens to be. So the public is very much at risk from people who are not fully trained and it could have disastrous consequences.

Mr Cooney: You're definitely right from the point of view that human nature is that you're going to try and get work and therefore you're going to mislead to a degree in the areas of where you're competent. There's a program that I'd like to give to this committee at a later date to watch that was done by 60 Minutes in the United States, where they actually videotaped a woman who was going to have an addition to her kitchen and it was a total disaster from end to end. CBS had to pay \$60,000 to redo the whole thing. I think once again you've got to look at this situation, because what you do not want to do is turn to the American system, and that's what I think Bill 55 will do to our system.

Mr Caplan: Are you familiar with other jurisdictions either in Canada or in the world which are going to the same move towards restricted skill sets? Are there other places, and if there are, what does your experience tell you about how successful or not this type of move is?

Mr Cooney: If I look at the United States, they are not going that way. In fact, they're trying to get out of it, the same way I guess the Ontario government is. We keep looking to Alberta, that Alberta did this and the East Coast did that. It's funny, because when you go to Alberta, they say, "This is the way Ontario's going." They're playing one against the other. In fact, it is not going well in Alberta, as everybody wants you to believe, based on the information I get through my colleagues.

Mr Caplan: So Ontario is very much going on its own in this direction and any examples, if I could paraphrase, that might exist elsewhere have shown that this is not the way to go as far as training is concerned.

Mr Cooney: Correct.

The Acting Chair: Thank you, gentlemen, for your input this afternoon. It's certainly appreciated.

ONTARIO FEDERATION OF LABOUR

The Acting Chair: The Ontario Federation of Labour. Is there a Mr Wayne Samuelson? Good afternoon. I would

ask that you identify yourselves so that we can have it on the record. Please proceed.

Mr Wayne Samuelson: Thank you very much. My name is Wayne Samuelson and I'm president of the Ontario Federation of Labour. With me is Irene Harris, who is the executive vice-president of the OFL and does a lot of work around training issues and apprenticeship issues, and Colleen Twomey, who is an apprentice.

First of all, let me thank you very much for allowing us the opportunity to say a few words about this legislation. I should tell you, of course, that the OFL has an affiliated membership of 650,000 in workplaces right across this province. But more importantly, the OFL has a training committee and an apprenticeship subcommittee that has been working around issues of apprenticeship for many years.

There's no doubt that the current system depends on a combination of work and academic training, and experience as much as theory is critical. It's key that we pass knowledge from one journeyperson to the apprenticeship. At the same time, the system must be accessible to all segments of our community: the young, the old, male, female, those who are new to the employment market and those who are retraining because of the restructuring that's part of our economy.

It's been stated that federal funding cuts are the driving force behind this, and maybe it is a factor, but there is little doubt that it's important and crucial to all of us that we have a strong system. It's crucial certainly for our economic growth. It's crucial, I would say, to making sure that our products are produced in a cost-effective manner.

There probably are some problems with the old act. I could point to the fact that while the act says all trades must be compulsory, we have regulations which are allowing exemptions, and there certainly are problems around issues of lack of enforcement. But for crying out loud, let's not dismantle the whole system because of some problems. Of course the workplace parties have a role to play. There's nothing wrong with added responsibility, but for crying out loud as well, let's make sure the government continues to play a major role. Legislation is probably the only way that you can effectively set standards, protect consumers, make sure that we have good health and safety protection and also monitor the supply of the various trades.

I'm sure you're going to hear over the coming days many of the problems with Bill 55. It does, make no mistake about it, deregulate apprenticeship. It shifts from an employment to an education relationship. The effect of this will be to drive down wages and lower standards. The effect will be to fragment trades into partial components and it will lead to a generation that lacks the understanding of the complete trade.

As consumers, we also have an interest in this piece of legislation. This building we're in was built by tradespersons. It's critical that this building and all the buildings are built by people who understand the whole trade and have a knowledge of the consequences of their actions.

I'm not going to go through all the points that are in our brief. I'm sure you'll each read it carefully and I'm sure you'll also take time to consider our comments. But allow me, if I may, to speak directly to those government members of the committee.

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I spent about 10 years working in the maintenance department of a large manufacturing facility, so a lot of the things of which I speak I know about because I lived that life for many years. I would ask you to get beyond that gang down in the Premier's office and those people who have no real contact with today's work environment and look closely at this legislation. I ask you to look closely before you just roll ahead with this.

Let me be clear. This legislation ultimately puts at risk the safety and possibly the lives of workers in many of our manufacturing facilities over time. You may want to take that lightly, but I'm a person who has gone to work with someone who was killed on the job and I'm also a person who has gone to work with many people who were seriously injured. The standards we establish in our health and safety are dependent on tradespersons having a thorough knowledge of the workplace.

These changes also will impact on the quality of the products we produce. Make no mistake about it. I've seen what it means not to have the best skilled workforce.

Let me also say this. Just maybe this is a time for you to consider the views of others. Just maybe this is a time not to simply plow ahead and put the interests of a few ahead of the interests of the many. Do you really believe you have all the wisdom and that no other people — and I'm sure you're going to hear many employers and employees say this — that nobody else cares about this province? I ask you to think about it.

Are all the teachers and education workers always wrong? Are the municipal councillors who talked about your tax policy always wrong? Are the school boards always wrong? Are health care workers always wrong? Women's shelter activists, are they always wrong? Are people who are dealing with our housing crisis here in Toronto always wrong? Tenant organizations, are they always wrong? Are all those apprentices and people who are appearing before this committee always wrong? Were those 40,000 school children all wrong? I could go on and on, but I hope you get the message.

In closing, I ask you to scrap this bill right now. Put it on the shelf before it's too late. I also ask you to remember that those who have access to your government, those who might have lots of money, can't always be right, and neither can you. I think this is a good opportunity for you to review this bill, listen closely to what people have to say, and stand up from the backbenches and tell the government it's time to shelve this bill and sit down and talk to people about the changes that would help Ontario.

I'll pass it over to Colleen.

Ms Colleen Twomey: My name is Colleen Twomey. I am a laid-off hospital worker currently being retrained as an electrical apprentice. With the layoff notice in one hand

and a mortgage payment in the other, I struggled to find alternate employment with similar pay. Luckily, I was finally able to secure an apprentice position at a reduced pay and I'm now attempting to make an honest effort at retraining myself. I believe these reforms will negatively impact the future of my apprenticeship training.

The government's decision to dilute the journeyperson-to-apprentice ratios will not improve my training. Given that 90% of learning takes place on the job, insufficient supervision by a qualified journeyperson will only hinder the passing on of skills and knowledge. I will be pressured to become a worker instead of a learner-worker. By targeting the youth sector in these reforms, I fear the government is excluding older workers such as myself, who, as a result of the massive restructuring of the public and private sectors, are struggling to secure viable employment and retraining.

Apprenticeship can offer these key elements for thousands of laid-off older workers who need a work-to-work transition. Reforms must be inclusive for all workers. Does this government's vision of retraining Ontario's workforce consist of workfare placements? In eliminating the wage requirements for apprentices, I could become trapped in a job with no hope of receiving a decent wage.

The government's decision to impose tuition and user fees will only discourage others from entering the program, whatever their age. Apprentices start at a minimum wage or a percentage of a journeyperson's rate. Why is the government throwing the cost of the program on to the backs of those least likely to afford it, the apprentices themselves? These added expenses will only worsen my economic situation and I may have to drop out. The funding plan cannot be a barrier to accessibility.

In four years I will take pride in completing my apprenticeship by writing my certificate of qualification. At that time, I want to be confident that I will have received the necessary trade knowledge that makes me readily employable and safe to work with. The government's decision to eliminate compulsory certification will jeopardize my safety and that of others around me. By allowing employers more say in compulsory designation, standards will be compromised, thus reducing employee flexibility and workplace safety. This runs counter to the very essence of what employers are encouraging in today's workplaces.

I am unclear as to the status of my five-year apprenticeship contract I signed last year and what effect the skill-based reforms will have on my training. I need clarification, as do probably the other 48,000 apprentices in the province.

As a woman entering the construction sector, I am trying very hard to develop the skills that will lead to a decent job, a real job with decent wages and benefits that will allow me to fully contribute to my community. The government must abandon the user fee and deregulation components of these reforms or I may not realize that good job.

The Chair: Thank you very much. That will leave about three minutes per caucus and it's my understanding it's starting with the government caucus.

Mr Smith: Just before you move to Mr Gilchrist, I can answer the one question directly regarding your contract. It will be honoured, with respect to the question you placed in your proposal here. I'll defer to Mr Gilchrist.

Mr Gilchrist: I was going to make a similar comment to Colleen. It's unfortunate if you've received any mis-information from any source, but 100% of all the outstanding apprenticeship contracts will be honoured, regardless of any changes in the future. So you have zero reason to be concerned about anything to do with your program.

As well, a lot of the very comments you make in your letter talking about the fact that insufficient supervision could hinder your obtaining skills — the requirement right now under the act is, in many cases, the journeyperson doesn't even have to be on the same shift, in the same building, in the same city. The reality is it's just a ratio. I don't think, and I believe you'd agree with me, that while that may not be the case in most instances across the province, to even have that as an option certainly would not lead to apprentices receiving the kind of instruction they deserve.

I'd like to ask Wayne — I guess we're not surprised, Wayne, when you come forward and say what you've said, but I can't believe you don't know about the dozens and dozens of meetings that have taken place with all the stakeholders, including unions, including the OFL. I think the reality is that the government does listen. You know full well, having made representations before, that on average there are about 100 amendments to every bill. I guess that just comes out of thin air.

I'm disappointed that, instead of that sort of invective, you wouldn't have taken the opportunity today to detail specifically how you think the bill could better address the problems that you yourself admitted exist, obviously. If you admit nothing else, agree with me, it doesn't profit this government or any other government to fail in this goal. If you don't have a workforce that is better trained, that is better able to take on the jobs in an increasingly technological age, and instead people are left on government assistance or in poorly paying jobs, maybe you can explain to me how the government benefits from that sort of eventuality. Obviously we have the goal of improving access for apprentices. We may disagree, you and I, on how we get there, but to start from a premise that somehow the government is bound and determined to do negative things is quite arrogant and quite false.

Mr Samuelson: I'm surprised to hear you, Mr Gilchrist, refer to me as arrogant.

Mr Gilchrist: You shouldn't be.

Mr Samuelson: Having said that, first of all, I'd be pleased to come back. I could talk with you at length, and I'm sure Irene could talk specifically about a number of changes. That's not the way this government operates. This legislation reflects almost to a T the leaked cabinet

document of a few years ago, so don't suggest to me for one minute that you've gone through all this —

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Mr Gilchrist: I guess you weren't here for the hospitality industry two presentations ago, who said they asked for 10 things and they got all 10.

The Chair: Mr Gilchrist, just let him respond.

Mr Samuelson: I should remind you why you have two ears and one mouth. You're supposed to listen twice as much as you talk.

Mr Gilchrist: Look who's talking.

Mr Samuelson: Don't try and lecture me about consultation, because not only do I know, but all these other people who are here and have been trying to get the ear of this government also know. Your suggestion about tradespersons being on other shifts: If you think the way to resolve that is to deregulate it, to take the government out of the picture, you're living in a dream world.

I can tell you right now that if this government was serious about really looking at apprenticeship there are lots of people who would be prepared to talk. But when a cabinet document is leaked, almost two years ago, I believe, and the legislation reflects that document, it doesn't take rocket science to figure out what's going on.

You will hear from employers, from employees and from apprentices who have legitimate concerns. If your approach to them is to call them names, then fine. But let me assure you that I will continue to push this government to listen to people and to consult in a real manner and bring in legislation that helps Ontario.

Mr Caplan: I have a question for the presenters, but for Colleen. The implication that I've heard from government members of the committee and from the minister himself is that the journeyperson-to-apprentice ratio is somehow false. Do you work with any journey-people? Do they train you? Is that a part of what actually happens as an apprentice training to be an electrical worker?

Ms Twomey: Yes, it actually happens. There is a ratio at my workplace.

I want to respond to Mr Gilchrist. Yes, Wayne did point out that there are problems in the regulations that exist, but that isn't a reason to legislate a complete repeal of the ratio system. That's not the reason you do something like that. There probably are problems, but I also want to point out that I work with generations of apprentices who have moved on to become journeypeople and they think it has worked very well. Some are men in their 50s and 60s, and it has worked very well.

They can't understand — Mr Gilchrist talked about disappointment — these people who didn't attend here today, the workers, are saying that they're disappointed in this bill. They don't understand how this could possibly improve the trades. That was what they asked me to say today, so I just wanted to put that across, because I actually work with a lot of these people, and the apprenticeship program has worked very well for the past number of years.

Mr Caplan: I have a question for either Wayne or Irene. Again, the government members, and even the minister, have said that this journeyman-to-apprentice ratio is something that doesn't really work, so they're going to eliminate it entirely. Does Bill 55 fix that problem that they identify as actually having a solution towards fixing that particular problem that they could be in a different city or in a different town or in a different country to listen to a government member talk about this problem? Does Bill 55 fix that?

Ms Irene Harris: I think you heard from other speakers that it definitely does not fix that. In fact, it's argued that you're getting rid of the ratios completely and that there's going to be very little supervision and what we're going to end up with is sponsorship. We're worried about not having that employer-employee relationship any more. In fact, what this is doing is really taking the trades right out of the act completely. By repealing that other bill, the whole notion of skilled trades has gone out the window to some sort of sponsorship type of training education program. So none of those things are fixed. It's fixed, but in fact we'll be deregulating everything.

Mr Lessard: Mr Samuelson, I think you got an answer to your question from Mr Gilchrist, and that is that all those people you mentioned must be wrong. That can be the only answer.

Throughout these hearings so far and through this whole process we've heard from the government in terms of their predictions about the number of apprentices doubling that we should just trust them with respect to what's going to be in the regulations. We should just trust them. My question to Mr Smith, the parliamentary assistant, is, what assurance does Colleen have that her five-year apprenticeship contract is going to be honoured? Is there something specific in the legislation that addresses that?

Mr Smith: If you'll bear with me just for a moment. I know on my level of knowledge that there is, but I can tell you in a second.

Mr Lessard: I'll give you a couple of minutes and ask Wayne to ask about some of the concerns that he has with respect to the red seal program. You must, in your capacity, deal with representatives from other provinces as well. I wondered whether you have some concerns about what impact this legislation is going to have on that program and the transferability of skills and the portability of workers to be able to move from Ontario to other jurisdictions.

Mr Samuelson: I think there are people who will be coming here who can talk specifically about that program. But you raise an issue which I think is important. While people scour through the legislation looking for the guarantee for Colleen, there's another point that we need to remember, that as you change the system and as you lower the standard, the impact will be felt by Colleen and other apprentices as the system is fragmented and, frankly, destroyed. She will find herself working with electricians who don't know the whole job. I can tell you that many times when I worked in the tire factory my life was

dependent on the electrician making sure that the power to the equipment I was working on, that machine was disabled. It was critical to my life, and there were times when mistakes were made.

To suggest to me that by lowering those standards you aren't putting at risk myself, the other tradesperson and the workers who are near that piece of equipment, then you'll have to show me, because I've lived it for most of my life. To be so simplistic as to think that Colleen was only talking about her five-year contract is nothing short of ridiculous. This has an impact right across the industry, and it has an impact right through all of the regulated trades.

The Chair: I would just ask, if there's time, for the parliamentary assistant to respond to the question by Mr Lessard.

Mr Smith: For the purposes of Mr Lessard's question, it would be captured on page 8, clause 18(2)(h).

Mr Lessard: It's pretty vague. Could you just read the section for Colleen, to see if she has any comfort in that.

Mr Smith: I think you're quite capable yourself.

Mr Lessard: OK, I'll read that. It says, "The minister may make regulations providing for any transitional matter related to the coming into force of this act." That's what they're offering as a protection for you, Colleen.

The Chair: Thank you very much for your presentation this afternoon. I'm certain the members will take heed of the comments you've made.

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TORONTO BOARD OF TRADE

The Chair: I would like to call on the Toronto Board of Trade. Good afternoon. For the members of the committee and the Hansard record, if you could introduce your members.

Mr Paul Fisher: My name is Paul Fisher, and I am the chair of the education and training committee of the Toronto Board of Trade. With me are Louise Verity and Terri Lohnes, on staff with the board.

On behalf of the board, I would like to thank the standing committee on general government for the opportunity to present our comments on Bill 55.

The Toronto Board of Trade has long advocated for the reform of our province's apprenticeship system. The legislation governing the system has remained virtually unchanged since the mid-1960s. The skilled trades work environment has evolved and grown quite dramatically. For this reason, the Toronto board is encouraged by the government's decision to revise the legislation.

The board was supportive of the review process instigated in 1996. At that time, we called for several enhancements to the system. Specifically, we called for a more flexible and accessible system for both the individual and the firm. We asked that the reformed system be more market-driven and responsive to the training needs of the economy; we asked for an equitable partnership between business and labour; and we called for the

development and administration of a system that rewards innovation, efficiency and effectiveness.

Bill 55, introduced earlier this year, attempts to bring the apprenticeship system up to date, which has been long overdue. However, the board of trade remains concerned that the bill has not fulfilled some of the necessary conditions to fully accommodate Ontario's evolving training system.

Our economy and labour markets are changing dramatically. The skilled trades are experiencing growth and regeneration that require a steady inflow of new trainees. This is beneficial both to individuals and to employers.

We hope the revitalization of the Ontario youth apprenticeship program will promote the validity of apprenticeship as a viable and rewarding career path in Ontario. Too often, this career stream has been downplayed among high school students as the college and university track gained prominence. By offering students a chance to experience the skilled trades first-hand, a greater understanding of such occupations is extended.

However, the board of trade supports a requirement for high school graduation. We believe that having only an age requirement of 16 years as an entry barrier is insufficient. The youth program should be a supplement to a student's high school education, not a replacement. All workers need the levels of literacy and numeracy that are the result of successfully completing a high school education.

The board is also concerned over the consolidating of control within the government as opposed to enhancing the role of industry. This is prevalent on two fronts.

First, Bill 55 essentially eliminates the provincial advisory committees for trades and instead gives the minister the power to appoint industry committees. The board of trade expects these new advisory bodies to function with a stronger input role from employers than the previous PACs, not less.

Input on skill needs, the effectiveness and quality of the training and the delivery of the programs must be received in a timely and consistent manner. It is not clear as to the ultimate power of these new industry advisory committees in providing direction for standards for the revised system.

Bill 55, by limiting the role of industry committees as advisers, could potentially lessen the ability of industry to play a proper role in the management of the new system. This, we believe, is at odds with the original intention of the review to strengthen the role of industry. The legislation should be clarified to ensure that the views and recommendations of industry are integrated into the training system.

The second issue relates to the enhanced power of the director of apprenticeship. Appointed under the Public Service Act, the director is accountable to the minister, not to relevant industries governed under Bill 55. The director holds immense responsibility for the design, approval, execution and quality control of the training standards. The reformed industry committees, as mentioned earlier, are merely advisory on these functions, with no explicit control over these standards.

As well, the director holds responsibility for defining skill sets related to occupations and for approving all forms of training. It is not evident from Bill 55 that appropriate input from industry, employers and employees will occur in these latter circumstances. By moving the control more into government, the board of trade is concerned that the reformed system will be driven by the bureaucracy and not the industry itself. This move is inconsistent with a market-driven approach to training and is somewhat unexpected, given the tone of the reform consultations.

The board of trade has previously stressed the need to strengthen the relationship between the employer and the employee in the training process. We note in Bill 55 the introduction of the definition of "sponsor" used as what previously would have been implied to be the employer. The legislation must be clarified to ensure that the sponsor would hold the same responsibilities and ties to the trade that an employer currently does.

The unique strength of the apprenticeship system rests on the strong employer-employee relationship. There is a sense of pride in the journeyman role and the passing on of skills. There is a real commitment in this relationship, and the concept of a sponsor instead of an employer could destroy that fabric.

In terms of financing the system, some of the proposed reforms resulted from the federal government's intention to withdraw from the training field. Transfer of financial responsibility is to occur next year. The board supports this devolution of training responsibility. However, we are concerned that Ontario still is the only province not to have signed a labour market development agreement with the federal government. A key part of the negotiations for the agreement should include securing funds from the employment insurance program to be put against the increased provincial costs of the apprenticeship program. Ontario as a province contributes far in excess of what it draws out from the EI system. The labour market agreement needs to recognize this and channel EI funds into Ontario's training program.

This change in financing of the apprenticeship system is of concern to the board of trade. Employers already bear a substantial burden of the cost of the program under its present structure. This figure ranges from 75% to 90%.

Securing EI funds and introducing tuition fees will inject some new funds. The board supports trainees taking responsibility for some of the costs. As with post-secondary students, apprenticeship trainees will experience long-term positive impacts on their earning potential. It is therefore not unreasonable to ask them to contribute to their schooling. The parallel introduction of a financial aid system will also ensure that those individuals who want to undertake the training will not be disadvantaged for financial reasons.

However, there remains concern that employers may face increased costs for the training program if these initiatives named above do not fully cover the transfer of costs to the province. The board stands firmly opposed to any imposition of a training tax upon employers to meet

any funding shortfalls. Such a tax measure would be highly punitive, particularly for those employers who are already making substantial investments in worker or skills training.

In closing, the Toronto Board of Trade is encouraged by steps to reform Ontario's apprenticeship system. It is important to foster growth and productivity in our skilled trades market. However, we believe Bill 55 can move Ontario's system forward only if it provides for stronger industry involvement and is responsive to the needs of participating industries and their workers. To that end, the Toronto Board of Trade urges the committee to reconsider the role industry must play in a reformed apprenticeship system.

The Chair: Thank you very much for your presentation. That leaves about three minutes per caucus. We'll start with the Liberal caucus.

Mr Caplan: Thank you for the presentation. I'm sorry I missed a portion of it. I was wondering how many of the 10,000 members of your organization are involved in hiring apprentices.

Mr Fisher: We've not done a survey of the number for the purpose of this report. We worked through the education and training committee and had a number of experts in but did not survey the membership itself. Frankly, I don't think we know the answer to that.

Mr Caplan: OK. You talk in your brief about the need to have stronger input from these provincial advisory committees, a stronger ability. The previous act, the Trades Qualification and Apprenticeship Act, said that the provincial advisory committees could advise on all aspects related to apprenticeship. The current act says, "promoting high standards in the delivery of apprenticeship programs." There are some other things that are said about performing any other functions, but it seems to me that the previous definition of what these advisory committees were to do was far more comprehensive than what is being suggested now. Would you agree with that comment?

Mr Fisher: I'm not sure the word, to me, would be "comprehensive," but perhaps "more forceful." In other words, rather than an advisory role, there were specific requirements for the industry committees to be consulted, have input and have their views taken note of. Essentially I agree with you, yes.

Mr Caplan: Is it of concern to you that there is no enforcement mechanism for the suggestions of industry to the apprenticeship system through the changes in the role of the advisory committees?

Mr Fisher: Yes. We believe that the fact that we are having committee hearings and that we are here before you indicates the government's recognition of the opportunity to listen and make changes to the legislation. I personally visited with the Minister of Education a few weeks ago when we raised this subject and indicated that we would be participating in this process, and he was pleased with that indication and was willing to work with us. I believe that strengthening the legislation is advisable, and it seems to me this government is willing to do that.

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Mr Caplan: I will be proposing an amendment to include enforcement for the provincial advisory committees. I take it that you'll support that and I would ask that you perhaps talk to all committee members, and all government members in particular, to support such an amendment. Would you give me that kind of an undertaking?

Mr Fisher: We'll certainly look at it with great interest because philosophically we're in agreement with you. I guess it depends on the wording.

Mr Lessard: One of the questions that I was going to ask was the number of your members who are currently involved in apprenticeship training programs and the number of apprentices they may have. You've indicated that you're not quite certain of that, but in preparing your presentation here today you had been dealing with some people who were experts in the field. Who are those people? Are they members of the Toronto Board of Trade or were they outside?

Mr Fisher: No, they're all members of the Toronto Board of Trade who have some expertise in this area. Basically we formed a subcommittee, which I chaired, of the education and training committee, based on the interests and knowledge of the individuals who had particular experience in this field.

Ms Louise Verity: I'll respond as well, Paul. We also have a board of directors that is representative of every size and type of business in the Toronto area, and before we go public or take a position on anything, we also must go to our board of directors. So there has been, shall I say, a very comprehensive attempt to ensure that our membership is always well represented when we come out with our policies.

Mr Lessard: One of the concerns I have is at the end of your document, and that is that you're suggesting stronger industry involvement, that even with all the changes that have been implemented or are proposed in Bill 55 that really take away a lot of the power to regulate from the government and place it in the hands of industry, you still don't think it goes far enough, that you think there needs to be more industry involvement. It does cause me some concern that you say that, and I wonder how much further you think this legislation could go to satisfy the interests of your members.

Mr Fisher: I go back to Mr Caplan's comments and restate that we agree with those statements. Under the current act, there is a greater requirement for the government to pay attention to and listen to industry. When I say "industry," it includes the balanced approach of the employer and employee representatives, so it's not just business interests, it's the industry per se, representing employees as well. We think there are greater guarantees under the language of the current legislation. That's not to say that a government wouldn't enhance the role of industry, but we have some concerns that it may move in a bureaucratic direction rather than an outside, industry-driven, market-driven system.

Mr Smith: Thank you for your presentation this afternoon. You made some very specific comments regarding the director of apprenticeship. My understanding is, and I'll seek to clarify this because this issue has been raised, that the references to the powers or functions of the director as presented in this bill are no broader than are contained in the existing legislation. Further, the current act enables the director, in essence, to circumvent the act and those provisions have been removed from Bill 55. There has been an effort to examine that issue, and if there was opportunity for the director to exercise more authority than needed, that has been addressed.

My colleagues have pursued a line of questioning with you with respect to the PAC, but I'd be interested to know how you would envision a PAC performing enforcement, what enforcement measures you would envision them pursuing.

Mr Fisher: First of all, I take note of your comments about the director. It's our feeling from reading the legislation that it's looser than it should be, so I appreciate your undertaking to look at that more closely.

Second, I'd just say thank you for your attendance at the board of trade education committee some months ago. We appreciate your coming to visit with us and it was very helpful to us, not on this subject but on a broader range of issues.

Third, with respect to the PAC, I guess "enforcement" may be too strong a word. I think it's in the standards area particularly that we would emphasize the role of the PACs because industry, both employers and employees, knows best the requirements of a particular industry.

We believe that the legislation is providing greater flexibility, which is a good thing because jobs are evolving and we need more flexibility than we have under the current system. But industry must be the one to provide strong input, which is strongly listened to by government.

The Chair: Thank you very much for your input this afternoon.

Mr Fisher: Thank you, Mr Chairman. We appreciate the opportunity.

PROVINCIAL LABOUR-MANAGEMENT HEALTH AND SAFETY COMMITTEE

The Chair: At this point we call to the table the Provincial Labour-Management Health and Safety Committee. Good afternoon, gentlemen. Please introduce yourselves for the record and to the members.

Mr Dan Lyons: Good afternoon, Mr Chairman. To begin with, I'd like to introduce myself and my colleagues here today. My name is Dan Lyons. I'm the health, safety and environmental manager for St Lawrence Cement, carrying on business as Dufferin Construction Co. I am the current chairman of the Provincial Labour-Management Health and Safety Committee, representing management and the Ontario Road Builders' Association.

To my left is Mr Joe de Wit. He is the business manager of the International Association of Heat and Frost

Insulators and Asbestos Workers, Local 95, and the former chair of the Provincial Labour-Management Health and Safety Committee and past president of the Construction Safety Association of Ontario. To my right is Mr Don Dickie. Mr Dickie is the executive vice-president and general manager of the Construction Safety Association of Ontario.

The Provincial Labour-Management Health and Safety Committee is established under the authority of the board of directors of the Construction Safety Association of Ontario as a standing committee of the association. The provincial committee is also designated as the advisory committee on construction health and safety to the Ontario Ministry of Labour under section 21 of the Occupational Health and Safety Act. The mandate of the provincial committee is to provide a forum for the discussion, development, promotion and expansion of health and safety in the construction industry in Ontario.

The goals and objectives of the provincial committee are as follows: to promote and improve health and safety within the construction industry; to review and exchange information and provide a mechanism for communication with regional and trade and sectoral committees, the Construction Safety Association, the Ministry of Labour, the Workplace Safety and Insurance Board, trade unions, contractor associations and other influential groups on health and safety issues; to develop and provide labour-management consensus positions on issues affecting health and safety; to develop and provide input, guidance and feedback to government on provincial occupational health and safety issues; to promote, propose, review and comment upon occupational health and safety legislation; and to initiate, review and approve association health and safety programs and publications.

The membership of the provincial committee is comprised of equal members representing management and workers coming from all of the construction trades and sectors throughout Ontario. Members of the committee are experienced in the construction industry and have, through their actions, involvement and accomplishments, demonstrated a commitment to the improvement of occupational health and safety standards.

The provincial committee is pleased to have an opportunity to speak to the standing committee about the important role of health and safety to Ontario's apprenticeship system. In 1997, the Construction Safety Association of Ontario presented more than 2,700 training programs to workers, apprentices, unions, trade groups, management and contractor associations across the province.

Ontario has earned the lowest reported incident rate of lost-time injury, in large part due to improved training programs. If we do not ensure that health and safety training remains a part of Ontario's apprenticeship system, the gains we have made could be lost through increased accident rates on construction sites. This would concern us tremendously, as we are sure it would concern you.

1540

Ontario's apprenticeship system must be supported by solid legislation. We are somewhat at a disadvantage in

presenting before you, because to date the regulations for this legislation have not been made available. It is quite clear from our reading of the legislation that the regulations are at the core of the new apprenticeship system. Reforming Ontario's apprenticeship system should not require reinventing the wheel; it should mean positive reforms to the existing system that enhance and enable it to respond more efficiently to the needs of industry.

The construction industry differs fundamentally from other sectors involved in Ontario's apprenticeship system. Changes to Ontario's apprenticeship system must take into account the unique characteristics of the province's construction industry. Construction has a built-in obstacle to safety, namely, the inherent nature of the work. Construction workers tend to go from site to site and employer to employer. As soon as a construction worker begins a project, he or she is working their way out of that job. This is unlike the manufacturing or service sectors, where a worker may have one employer for many years. The short-term jobs also make it more difficult to ensure that workers know what hazards are on the job site and that they are trained in site-specific safety. Due to the unique characteristics of the construction industry, workers and employers have invested considerable resources and energy into meeting training needs through joint labour-management initiatives.

The construction industry has established a leadership role in providing apprenticeship training. The industry accounts for approximately 14,000, or 40% to 45%, of all apprentices. The commitment of the construction industry to apprenticeship training, in terms of both its size and its leadership, as demonstrated through joint labour-management co-operation, has earned it a unique position from which to comment on changes to and administration of the system.

The construction industry's expertise and leadership must be recognized by the legislation. The construction industry must have an empowered role in the administration of apprenticeship programs and the certification of the trades.

As currently drafted, Bill 55 consolidates all the power over apprenticeship training in the hands of the director of apprenticeship and the minister, whereas the construction industry's role is left to their discretion. Therefore, the provincial committee recommends that the legislation state that the minister "shall" establish industry committees, and the provincial committee also recommends that the industry committees be elevated from its advisory role and given an empowered role to administer the certifications of trades.

The value of training to occupational and public health and safety must be reflected in apprenticeship legislation. This training, provided to apprentices, must be of a complete nature. Ontario's workers and their employers will not be competitive if these fundamentals are not recognized in the development and delivery of apprenticeship.

The provincial committee believes that the objectives of training are as follows: to reduce injuries, illnesses and deaths on construction sites; to comply with requirements

under health and safety legislation; to demonstrate a commitment to safety and due diligence; to improve efficiency and productivity by reducing lost time and compensation costs; and to enhance the qualifications of employees and the reputation of their companies.

The benefits of proper and complete training are well known to the stakeholders in the construction industry. The benefits include lower rates of injury, illness and death; reduced pain and suffering; better labour-management relations; improved morale; enhanced worker self-esteem; lower compensation and assessment costs; fewer stop-work orders; better productivity and efficiency; a more qualified, knowledgeable and alert workforce; and advantages in qualifying for and bidding on jobs.

Ontario's crane industry provides us with a clear example of the before and after effects of instituting mandatory training. Until 1979 there were no training requirements for crane operators in Ontario construction, although licensing was mandatory. Full-scale training for crane operators in Ontario began in 1979. Journeypersons went through knowledge upgrading and load chart courses starting in 1979, and all new operators have been required to attend a training school from 1982 onward.

Outlined in the three tables included in our submission are statistics demonstrating crane and rigging fatalities during the 10-year period before instituting mandatory training and the decrease in the subsequent period.

Crane and rigging fatalities accounted for nearly 20% of all construction fatalities in the period 1969 through 1978. These statistics are outlined in table 1 in our submission.

Crane and rigging fatalities accounted for less than 9% of all construction fatalities in the period 1979 through 1997. This represents a 55% improvement over the percentage of fatalities in the period 1969 through 1978, prior to mandatory training. These statistics are outlined in table 2 of our submission.

The death rate due to crane and rigging during the period 1979 through 1997 has dropped 79% from the period 1969 through 1978. This improvement is attributed to mandatory operator training programs instituted in 1979 for journeypersons and in 1982 for all new operators.

The fatality rate due to cranes and rigging is now less than half its prior level. The significance lies in the fact that the province of Ontario had mandatory operator licensing in both the old and new periods. The point in making this observation is to stress that the simple licensing of crane operators was not enough to improve accident, injury or fatality rates. Ontario's record improved because of better laws concerning cranes and more and better training aimed at both operators and supervision.

Overall, Ontario has one of the best safety records in Canada. Since 1989 the reported incidence rate of lost time injuries per 100 workers has dropped from five in 1989 to 1.8 in 1996. Part of the improved safety record is the result of partnerships between unions, contractors, trade associations and the Construction Safety Association of Ontario.

The strength of the construction industry's safety record is driven by labour-management health and safety committees at the provincial, regional, trade and sectoral levels. The sector plays a critical role in developing and implementing safety practices for its members beginning with apprenticeship.

Therefore the provincial committee strongly recommends that the value of complete training in a trade be reflected within the purpose clause of Bill 55 and through the provisions of the legislation and the regulations.

The apprentice-to-journeyperson ratios are an integral component of the apprenticeship system. Without legislated ratios, apprentices may be involved in dangerous situations with inadequate supervision.

Apprenticeship training is characterized by the contractual relationship between an apprentice, as an employee, and an employer. Under the system, the employer provides the apprentice with a safe and practical work environment to acquire hands-on training under the tutelage of an experienced journeyperson. About 80% of an apprenticeship is performed on the job. The journeyperson is the individual most responsible for the on-the-job training of apprentices. The journeyperson provides important supervision and feedback, and it is through their experience that the nuances of the workplace are passed on to the apprentice. Journeypersons cannot be expected to teach their trade to an unlimited number of apprentices. They must be able to devote the required amount of time and attention to the training needs of the apprentice.

1550

Without defined and enforced ratios, essential practical instruction could fall victim to unscrupulous employers who are mainly interested in cost-cutting by replacing journeypersons with lower-cost apprentices. If apprentices do not receive the required training or are improperly trained, then the health and safety and the training environment for all workers will be severely compromised.

Bill 55 also proposes to replace the concept of an employer with that of a sponsor who will ensure that the apprentices receive workplace-based training. We are concerned that the obligations of a sponsor do not carry the same weight as those of an employer under Ontario's Employment Standards Act or the Occupational Health and Safety Act, which currently protect apprentices as employees. Without these safeguards, the integrity of the training environment is not secured.

Therefore, the provincial committee recommends that the definition of "employer" in the current trades qualification and apprenticeship act be included in Bill 55. Furthermore, the provincial committee recommends that workplace-based training be defined under the act as training that occurs within an employer-employee contractual relationship. The provincial committee recommends that a provision for apprentice-to-journeyperson ratios be set out in legislation and that the ratios be established by the industry committee for the particular trade.

The compulsory nature of trades is extremely important to safeguard the health and safety of workers and the public. Bill 55 proposes to eliminate compulsory trade

certification and replace it with certification of restricted skill sets, which under the legislation could consist of only one skill.

From the perspective of health and safety, comprehensive training pays enormous dividends. The payback from the relatively small investment in training is enormous in terms of reduced injury rates and reduced compensation costs. A worker who is trained in only one skill set of a trade is a danger to himself, to co-workers and the public if he fails to understand the implications of his actions in one aspect or another of a job.

Compulsory certification in a trade provides the following benefits: Certified training from an apprenticeship program ensures workers are properly trained in their specific trade. This results in workers who are highly skilled and more employable. Experience shows that better-educated workers will tend to enrol in upgrading courses throughout their careers more so than unskilled workers, thus making themselves even more employable. In the United States, for example, the non-affiliated Associated Builders and Contractors have recently instituted mandatory training in order to better compete with the Associated General Contractors, the organized sector, whose members benefit from such training already.

Additionally, certified training reduces work-related accidents. Certified tradespeople are likely to have fewer accidents and injuries on the job than informally or partially trained workers. With fewer accidents and injuries, the employer benefits from lower Workplace Safety and Insurance Board costs, thus making the contractor more competitive. More importantly, we all have a moral obligation to reduce pain and injury.

For example, the mechanical trades all receive training in tagging and lockout of sophisticated hydraulics. If a worker fails to receive that training and does not understand the consequences of an improper tag and lockout, the implications could be extremely severe, potentially resulting in death of that worker or co-workers, as has happened in the automotive industry.

Furthermore, compulsory certification also benefits the health and welfare of the public. By requiring a person to become a registered apprentice, a certain level of competency in that trade is ensured. As a result, the public is assured that it is receiving a high-quality service or product from that worker.

The experience of the tower crane industry in the 1970s highlights the potential impact on public safety. Walking past a construction site in downtown Toronto, everyone is well aware of the many cranes operating over the public way. The collapse of a crane or the breaking loose of the load it is manoeuvring holds the potential of danger to anyone, workers or the public, on the ground or in neighbouring buildings.

The present apprenticeship system has worker health and safety built in up front as part of their training. This ensures that once an apprentice completes his or her certification, they begin their careers as skilled tradespeople with an understanding of the health and safety issues inherent to their trade. It is unlikely that a self-

employed apprentice, who is not aware of the health and safety issues of an occupation, is going to seek out the necessary training. If we let people get by with the minimum, that is often all they will obtain. What a worker does not learn through apprenticeship, he or she must rely on their union or employer to provide.

Multi-skilling apprenticeship programs to meet the needs of other sectors must be developed in a manner that preserves the integrity of existing construction trades. Apprentices in construction must still receive training in all the components of a whole trade. Simply put, without certification and training standards, a trade does not exist.

We are concerned that this legislation could lead to inexperienced workers trained in a narrow skill set performing work they are not qualified to do, and we may see an increase in cases like the young apprentice crane operator in Sault Ste Marie who was killed when he attempted to use a crane larger than the one he had been trained to operate, or the man who died of electrocution while relocating lights and fixtures in Thornhill. The contractor pleaded guilty to assigning electrical installation work to a worker who was not an electrician with equivalent qualification by training and experience.

A properly trained workforce is essential to provide the public with a safe product and protect workers in the delivery of the product. Certification in a whole trade is the most practical training method to ensure a highly skilled and highly competitive workforce.

Therefore, the provincial committee recommends that certified trades be defined in Bill 55. As well, the provincial committee recommends that restricted skill sets not be certified as separate from a certified trade.

The Chair: Mr Lyons, you have one minute to summarize.

Mr Lyons: In terms of final recommendations, therefore, the provincial committee also recommends that enforcement of all provisions of the act be strengthened and that all the stakeholders in the industry be involved.

In conclusion, ensuring the proper training of an apprentice at the beginning of the employment continuum results in reduced lost-time accidents on the job, and their costs, and reduced costs of worker upgrade training. It is a long-term investment in the competitiveness of workers and employers.

Ontario's apprenticeship system ensures that health and safety are built in up front. The existence of compulsory certification, comprising well-rounded, practical on-the-job training, guarantees that apprentices are prepared for the workplace.

In reforming Ontario's apprenticeship system, these fundamentals must remain. The move towards the certification of restricted skill sets over that of trades gives us great concern. Experience has shown us that when a worker is not properly trained or only partially trained, his or her health and safety is at greater risk, as is that of co-workers and the public. The certification of restricted skill sets without tying them to certification in a whole trade does not promote worker health and safety.

Ontario's improved safety record is a result of compulsory certification and better training. We respectfully ask the committee to consider the recommendations we have brought before you and make the necessary amendments to the legislation to ensure that the health and safety of Ontario's workers is protected in our apprenticeship system.

The Chair: Thank you very much for your presentation. You have consumed your time. I'm sure the members have enjoyed your presentation.

1600

ONTARIO ENGLISH CATHOLIC TEACHERS' FEDERATION

The Chair: I call the next presenters, the Ontario English Catholic Teachers' Federation. If you could introduce yourselves and your partners there for the members of the committee as well as for the Hansard record.

Mr Marshall Jarvis: My name is Marshall Jarvis, president of the Ontario English Catholic Teachers' Association. Theresa Robertson is one of our executive assistants, and Victoria Hunt is also one of our executive assistants. They bring respective skills in the areas of secondary school reform as well as apprenticeship and training in the context of Bill 55.

I intend to make some brief remarks and then open up to questions, because I believe it may serve the purpose far better if we allow questioning to occur.

I am here today representing 34,000 men and women who teach in the Catholic schools of Ontario. Our organization represents students from JK through grade 12 OAC. Therefore, we have a very clear context as to education in Ontario. Currently, as a policy initiative of this government, the revision of secondary school curricula is underway. As a matter of fact, the government has made it known that within the next few months, they will be announcing the first phases of secondary school reform in terms of definitive curriculum.

At the same time, we have Bill 55, in terms of apprenticeship reform, which has been identified by the Minister of Education and Training as an integral part of this reform of secondary schools. Yet unfortunately, based on the information we have received and our involvement in secondary school reform, the reform of the apprenticeship program through Bill 55 has been completely autonomous from the process of secondary school reform. Bill 55 has clearly pre-empted the secondary school reform process. As such, we have serious concerns, on the part of the Catholic teachers and the students we serve, regarding the apprenticeship reform outlined in Bill 55. These should have been worked in tandem, with secondary school reform coming first and apprenticeship reform coming afterwards, to ensure that the apprenticeship reform under Bill 55 fell within the context of the goals of secondary school reform.

Currently, apprenticeship programs occur within the context of secondary school education, and students who

avail themselves of these programs not only come out with Ontario secondary school graduation diploma credits, but the entire program is delivered and monitored by teachers within the context of co-operative education. This means that students receive a formal academic education, which provides them with a good skills base, as well as the applied apprenticeship trade they will subsequently move into within the context of future employment opportunities.

Bill 55 severs all these relationships or does not address them in terms of the fundamental needs of the students in our secondary schools. Within the context of Bill 55, there is no definition of academic requirements of students, nor are the skill sets they are allegedly to obtain defined. This means that our students may possibly enter programs that no one has a very clear perception of where they may lead. This is in stark contrast to what currently exists within education. It is also in stark contrast — and it's very unfortunate that it is — to the well-espoused position by the education stakeholders and business leaders of Ontario that a broad-based education with a strong academic component will be fundamental in terms of our students' futures in the province. Within the context of such educational development is the fact that those students will be capable of greater choice and adaptability. That's within the context of an ever-changing market, as this government and many of its ministers have stated, for jobs that we currently don't even know may exist. That's what we're preparing our students for. None of this is addressed within Bill 55. This will lead to a distinct educational disadvantage for students who attempt to achieve skill set development under Bill 55.

The government has predicated much of the need for this bill on the current status of youth employment, which at this time is not a record for which this government is envied. However, there is absolutely no proof that this bill allow for any increase in the employability of any of these students in terms of an increased job market for students accessing this program. Therefore we have serious concerns about where Bill 55 will lead the secondary school students who choose to exercise their prerogative and enter the program. We're concerned about their future. As a parent with children in grades 7 and 8, who will be moving into secondary school, I could not in good conscience direct them into this program, and I challenge anyone sitting before this committee today, or on behalf of the House, to state that they would encourage their children or children they are related to, to enter this program.

If that's the context, if that's the marker by which we judge this bill, then our recommendation is to set this bill on the shelf, allow secondary school reform to proceed and then rework Bill 55 in the context of the concerns which have been voiced by the labour community, the business community and by educators, so that when we do create a renewed vision for apprenticeship training in Ontario, it will be carried out and delivered in a fashion of which everyone can be proud and can put their hand to, knowing that we have the best interests of our students at heart.

At this time I'd be happy to take any questions.

The Chair: We will begin the questioning with the NDP. We have about four minutes.

Mr Lessard: One area I'd like to hear a bit of elaboration with respect to is the concentration of control with the director and the minister, because I know that I'm asking a person who is an expert on centralization of control, as you have seen in Bill 160, and you have had to deal with a lot of those changes. Even though the government says they're not a government that's interested in centralization of power, legislation like Bill 160 has led to that. Bill 55 is taking a similar approach, and I wonder if you can address some of your concerns about the centralization of power issue specifically.

Mr Jarvis: Much of the bill is vague, in that it doesn't clearly define roles and responsibilities. Instead, it places many functions in positions such as the director of apprenticeship, and moving in a direction where you essentially leave to regulation and/or policy many of the key components of a program that is going to be so integral. It's important to realize that these students will be coming out of grade 10. My son will be 14 years old when he is eligible for this program. Everything is in the air. Decisions can be made and altered. We have seen the multiplicity of changes which have been required within the context of a bill such as Bill 160.

There is too much at stake in terms of the future welfare of the students we serve, and of our own children, to allow such vagueness, changes in direction, or in some cases what one of the sponsors may define as what's good for the public interest. That is why, in terms of the minister or the director or the Lieutenant Governor, whoever it may be, individuals in whom these powers may reside — I think that's an error, as do the Catholic teachers of the province. These powers should be consolidated within the context of the bill, clearly stipulated so that we can move forward knowing exactly the parameters we shall be working under and what our students can expect. To do anything other would be a disservice to those children.

1610

Mr Lessard: You have also recognized that the students your members teach are going to be entering a workforce that increasingly is going to be a skills-based workforce. Higher knowledge levels are going to be required, and they also need to be mobile and flexible. Do you see that the changes in Bill 55 are going to make the necessary provisions to enable students who graduate from high school or go through apprenticeship programs with the ability to be mobile, at least as far as crossing provincial boundaries, for example?

Mr Jarvis: Until we see the context of secondary school reform and/or subsequent regulations to this bill, it's very difficult to pinpoint what will happen. However, let's assume that after grade 10 a substantial amount of that student's time will be spent outside the formal, academic classroom. This isn't a five-year program any more; this is a four-year program. We know that secondary school reform is going to condense significantly the

program base for every secondary student in Ontario. They will lose a significant component of the two formal years of grades 11 and 12, where they would normally attain their direction in terms of applied and/or academic skills, or academic directions as currently defined within secondary school reform.

Within that context, and very clearly, if those students do not have a strong formal academic base, they will come out with a very sequestered skill base in terms of what their sponsor has "trained" them in, and that isn't even defined. That being the case, if those jobs become redundant, and we know that trade jobs become redundant, where will those students turn, when we know that adult education has been seriously eroded? Will they now have to obtain sufficient academic credits to be eligible for further adult education programs so that they can be trained to move into new skill bases? If that's the case, then this bill needs to be revisited. You can't do this to our children.

Mr Froese: Mr Jarvis, you mentioned earlier that you have two children in the school system in grades 7 and 8. I have four children. Two are out of the system now; they've graduated from high school. I have a son in grade 7 and a daughter in grade 11. I guess it's just a matter of a difference of opinion, because I would encourage them to apply under the apprenticeship program, especially the Ontario youth apprenticeship program, which has already been announced, I'm sure you're aware. In addition to the \$2 million that's out already, \$1.4 million of new money is now available. Under its business plan for 1998-99, the Ministry of Education calls for 1,000 new students to join the existing 1,000 under that program. So actually that program is being doubled. As you well know and as you aptly put it, the program is really to meet the needs of the students in the program and of employers also, to establish a skilled workforce. The program is built on what is new, but taking the successes of the past.

As you probably know, partnerships need to be built within the community using existing models to enhance opportunities in the in-school portion of apprenticeship training, and with colleges as well. There needs to be a greater role for employers and other market stakeholders in steering the local programs. The boards, as far as I understand, are reacting positively to this program, because it does help develop the opportunity for our youth to get those skills for employment. The guidelines and the applications have already been distributed, as you well know.

I'd like to talk about the skill sets.

The Acting Chair: I have to ask you to be brief, if you could, Mr Froese.

Mr Jarvis: It's a good speech, though.

Mr Froese: I figured that you had made one; I could make one too. As far as skill sets are concerned, there has been a lot of talk in some of the presentations that the whole thing will be fragmented. My understanding is that a lot of those things are already determined in agreement with employers and employees within the industry, and their certification programs and so forth — it's already

been established. This bill does not take away from that, and so I don't understand the fear of those skill sets not being there. They are established and they will continue to be there with the industries that are involved in that. I would like your comment on that.

Mr Jarvis: As a matter of fact, I'd like to comment on a great deal of what you said. I too agree, and I believe everyone who has come before you has stated, that we're all committed to reform. We're not afraid of reform. Reform is good. Reform involves a partnership. And you're quite right; you used the word. It should be a partnership of business, of government, of labour, and of education in order to protect those children, as you so well stated.

However, unfortunately right now we have apprenticeship reform, which should be part of secondary school reform, and there is no connection between the two. We've had people involved in secondary school reform since the previous Minister of Education announced it as a major platform. We've been involved in that process. Our teachers are writing the documents. We're preparing to write the curriculum. We're on task with that. This is a whole different ball game.

Let's talk about the skill set. "Skill set" is defined under the bill as one or more skills. You said that the bill doesn't detract from anything that's already there, nor does the bill espouse that it is there. If what you're saying is true, put it in the bill. Put into the bill that it's going to be based upon existing skills as they are currently being delivered, in terms of improving the way they are being delivered. That would have a whole different context than just a one-liner stating that it means one or more skills. Does that mean that the person who is going to come out with training in electricity will also be able to do 17 other skills? It doesn't say how many skills. It doesn't tell me the fact that —

The Acting Chair: Mr Jarvis, I'm sorry, I'm going to have to move on to Mr Caplan or he's not going to have his fair time.

Mr Jarvis: That's good. But I just say —

The Acting Chair: Be very brief.

Mr Jarvis: — Mr Froese, I'll put my son in the academic stream and you send your son to this stream, and I'll even look at trades after that.

Mr Caplan: Thank you, Chair. I really appreciate your looking after my interests.

I have a question for Mr Jarvis. First of all, thank you for your presentation. I think it was quite well done. To me, the greatest flaw in this bill is that it says, "Trust me and later I'll show you the details," whether it's skill sets, the powers of director, the powers of the PACs, any specific aspect — the journey person ratio.

What would you say needs to be done to give all stakeholder groups a level of comfort about the actual intention of this bill?

1620

Mr Jarvis: There are a number of things. First of all, I want to make it very clear to the government representatives here that we're not opposed to reforming the

apprenticeship program. We believe, however, that the first thing that should happen in terms of our recommendations on page 12 is that a technical team of labour and industry representatives review what is currently within the bill, with the very clear understanding that revisions could be made within the context of that review which would improve it and make it acceptable to all the partners — a word chosen because it has been put forward by the government itself at this table today — so that all the partners will feel confident in terms of the ability of the apprenticeship program to deliver the trades needed to move us into the next century. As an educator and a parent, I will be very clear in stating that we have to look at not only what business may need for economic growth but what our children and our students will need to not only fulfill that role but other roles that they may wish to move into in the future.

As well, as a second point, I think we must come forward with very clear connections between the secondary school reform process and where, within the context of Bill 55, apprenticeship fits within that secondary school reform. In the absence of that, please, do every student in the province of Ontario a favour: Don't put forward that this is the same as the Ontario youth apprenticeship program which currently exists. It's not. Yes, that is an excellent program and we have students who achieve wonderful futures through it, but this is not that program. And another \$1 million will never make it that.

The Acting Chair: Thank you, Mr Jarvis. The time has expired. I've been more than generous. I'd like to thank you for your presentation.

CENTRE FOR SKILLS DEVELOPMENT AND TRAINING

The Chair: We'll call to the table the Centre for Skills Development and Training. Could you introduce yourselves for members of the committee and for the Hansard record.

Mr Aldo Cianfrini: First of all, I'd like to thank the committee for this opportunity to present to you. My name is Aldo Cianfrini. I am the chief administrative officer with the Centre for Skills Development and Training, a subsidiary of the Halton Board of Education.

I'd like to introduce Mr Mike Jackman, to my right. Mike is a placement coordinator for both Halton boards, public and separate; has been involved in a number of school-to-work initiatives; and prior to that spent 28 years as an apprenticeship counsellor. He's very familiar with our past and our proposed apprenticeship system.

I should add that prior to this role with the Centre for Skills Development and Training, I spent 10 years as a program coordinator with the Halton District School Board and was responsible for technological education, business studies, the Ontario youth apprenticeship program and, prior to that, school-workplace apprenticeship programs and other school-to-work initiatives such as Bridges.

I was also involved in facilitating approximately 35 responses to the consultation process for apprenticeship reform. Some of the messages that came from that group were very strong. They were: apprenticeship training needs to be centrally controlled so that training standards and training opportunities have credibility in the workplace; industry must take a greater role in this training initiative; and there should be mandatory participation or at the very least a reward for strong participation from employers in apprenticeship training programs. We in Ontario must develop a training culture. The time is right. Most industry is experiencing a skilled labour shortage and has forecast a severe shortage in the near future.

Currently the centre, in participation with HRDC, is running three pre-apprenticeship training programs. The construction industry program, in conjunction with Mattamy Homes, has 23 adults from the ages of 18 to 55 who are being trained as we speak in the construction industry. They have a promise of employment in an apprenticeship-track position when they're completed. Most recently, as of last Monday, we started a pre-apprenticeship training program with 22 young adults, 18 to 30 years of age, as general machinists. In January we are starting another pre-apprenticeship training program for industrial mechanics, again who are 18 to 30 years of age.

We are using school board facilities and equipment. The equipment has been enhanced with HRDC funding and the intention is that this equipment will be used by high school students during the day and will be left at the high school at the end of the project to enhance their program. This is, I believe, the model we need to look at as part of an apprenticeship reform, but I don't think we can only look at apprenticeship reform as one initiative unto itself.

At this point I'd like to draw your attention to the handout that we've given you. I think we need to look at a number of current initiatives and bring them all together: education reform; a new funding model; curriculum reform; better utilization of facilities; apprenticeship reform, which is your reason for being here today; retraining; and downloading. What happens as of June 1999, when HRDC will no longer be able to buy training programs and those dollars are then flowed to the province? What happens at that point in time?

We need to look at our whole citizenship, culture and recreation. We have an aging population. We oftentimes duplicate resources. When I think of the number of different library resources that belong to school boards, belong to municipalities etc, we need to put all that under one roof.

We need to look at our community and social services. Education for social assistance recipients can be done more effectively than it currently is, and the whole notion of the change in workers' compensation and the retraining programs that are going to flow from that.

Essentially, our presentation is to coordinate all these changes. Let's take advantage of existing infrastructure. School boards can take a large role in the training that

needs to be in place in order to effectively implement any kind of apprenticeship retraining program or modification of that training program. School boards have technological education facilities that have been upgraded from 1990 through to 1995, with the \$60 million allotted through the technological education equipment program and renewal fund. Those facilities should perhaps be used better than they are in some cases. By and large, school boards can become a service provider for many sectors in our community.

Number one, this government can be more financially efficient if they use that existing infrastructure, eliminate duplication of facilities and facilitate programs for more needy individuals. Currently school boards can provide the necessary infrastructure to deliver high-cost technical programs. They also have the capability of providing much of the human resource that's required to meet the needs of the community. In essence, school boards can provide the physical resources, human resources, curriculum development, partnerships and certainly the equity in access to our facilities. I'll just very quickly touch on some of those points.

1630

Around the physical resources, I've already mentioned the TEEPR funding in the last five years that has allowed our technological education programs to be renewed, but frankly that isn't enough. If our programs are going to have credibility, if you have any hopes of having young people in our high schools see technological education as a precursor to OYAP, as a precursor to apprenticeship positions, those facilities must be maintained.

I'll give you a very simple example. In each of the HRDC programs that I'm talking about, we will leave, as a minimum, \$30,000 to \$40,000 worth of new resources in the schools that are hosting those programs to be used by regular students. If those facilities are not up-to-date and students don't see that those facilities are up-to-date and have credibility in the workplace — and through our partnerships, employers have told us they don't have credibility — obviously those students will not take those programs. Fortunately, at this point in time, we still have enough time to maintain that credible program with the resources that were put in from 1990 through to 1995.

There is also the change in our program. As part of the TEEPR funding we went from specific technical programs to broad-based technology programs that put a focus on, yes, the development of specific technical skills, but also the development of a broad-based transferable skill base that will allow those students to learn the skills but also the work habits to make themselves employable and hopefully to be an employer sometime in the future.

The human resources that are currently there in our facilities: I'm talking about simple things like purchasing, accounting, clerical, maintenance and repairs, computer and hardware, curriculum and program, plant operations etc. One of the advantages that we have in running the current HRDC programs I've alluded to is we have those resources behind us that are already being utilized and we're taking them and putting them to our best advantage

in delivering high-quality, pre-apprenticeship training programs.

Around the area of curriculum — I'm not really going to go into that because I don't think much more needs to be said — we have expertise in that area to ensure that our programs are preparing students for what they will actually see in the workplace. You've talked about your program advisory committees. I can assure you that at least on the two boards that I work very closely with, we have employers telling us what should be in our programs, certainly in the construction industry partnership program with Mattamy Homes and also in the other two programs.

I'll give you a very simple example of what I mean by that. When we put the word out that we were running this program, advertised it through local papers, as an example in the construction industry program, we had over 80 underemployed or unemployed individuals apply for the program. Unfortunately, we're only funded to take 23. We put them through a rigorous evaluation program and I feel we chose the best 23 in the program, but furthermore, and what really gives it value, is that Mattamy Homes and the subcontractors and contractors that work for Mattamy Homes are really helping to develop the program. Simply put, 23 adults are going to be building a house. They're on a two-week rotation, two weeks building the house that Mattamy has donated to us and the other two weeks they spend working with the electricians. They come back into the project house, and the other two weeks they go out and work with the drywallers.

So they're getting that instruction, that very broad overview of the construction industry, from practitioners. The intention is that at the end of the program they've got the wherewithal, they've got the experiences to make a wise decision into which apprenticeship area they would like to follow up.

I've already alluded to partnerships such as Mattamy Homes. In the general machinist training program that we're currently running, we have over 30 employers who have signed on the dotted line saying that they will hire the 22 young adults in the program. They know exactly what's in our curriculum. We've had open houses and we're having a formal open house where they will actually come in and take a look at the program, take a look at the facilities and the invitation is there for them to add input into those programs.

Around the issue of equity and access: Our buildings are handicapped accessible. We have language support available, as an example, at the centre. We have support for ESL and LINC adults. We have the expertise and are able to provide for learning disabled adults if that's the type of resource they need to be successful in the program.

The bottom line is I think we need to look at a model that brings together many of the changes that are currently going on in this province: the changing role of technological education, the retraining down-loading, what existing support is there for these programs, how to effectively use our resources beyond 3 o'clock in the evening.

In our proposed models, school boards would play a major role in providing service for the community in partnership with employers, unions etc to ensure that we provide the best program possible.

At this point we'd like to entertain any questions from the committee.

The Chair: Thank you very much for your presentation. That would leave just under three minutes for each caucus. I'll start with the Liberal caucus. I think you were last, but that's what the sequence here is.

Mr Caplan: I'm just a little bit surprised, but that's fine.

Thank you for your presentation. It sounds like you're doing a lot of exciting things, which makes me wonder a little bit. It doesn't sound to me as though the current legislation is a hindrance to you to have innovative programming, to have pre-apprenticeship programs, to bring people in and to have a community base to it.

The premise of this piece of legislation, Bill 55, is that we need a complete overhaul of the apprenticeship system to make it work. It sounds to me as though your Centre for Skills Development and Training is working really well. Did I mishear you?

Mr Cianfrini: You didn't mishear me. But much like the other presenters before us, apprenticeship training for some sectors of the economy works very well, and for others it does not. There are a number of reasons for that. Some of that is how proactive those particular sectors are in putting together excellent apprenticeship training programs and marketing those programs to young people so that young people see it as a first-opportunity program. Unfortunately, I still feel that in this province young people enter an apprenticeship usually because they've been counselled by someone else that, "Johnny, since you're not good at this, try this." That's a shame.

The speaker before me talked about how he would readily put his children into an academic program but perhaps not into an applied program. I beg to differ. I think it's that exact mindset, that exact intonation that students pick up from us and see that, "Maybe this isn't something I should be doing."

So, bottom line, getting back to your question specifically, I think some sectors are well served, I think other sectors are not, and I think a lot of that has to do with how proactive and how involved they are in apprenticeship training.

Mr Caplan: But if those sectors which are working well are being overhauled as well, what's really going on here? If some of the sectors need some basic help, need to make some reform, we can help those sectors along with promotion, but why the need to erase the whole black-board, if you will, and start from scratch and reinvent the wheel for every particular sector?

Mr Cianfrini: If I can go back to a reference I made earlier, when I hosted the apprenticeship consultation process, the employers, approximately 35 of them, said there needs to be central control of apprenticeship standards so that those standards are high and they are accepted not only across this province but across this country. As

long as the new bill allows that to happen, I think most of those sectors are well served. Again, I'm not sure that would happen.

Mr Lessard: Does the bill do that, as far as your reading of it is concerned?

Mr Cianfrini: In very many ways, the bill doesn't do it nor does it do it. I know that's talking out of both sides of my mouth, but in many ways so much of apprenticeship training really depends on how proactive that particular sector is in taking the training programs they can offer and marketing those opportunities to young people. That's the essence.

I'll give you a very simple example. We were trying to place a young student, a young individual, on Friday with a company in Burlington that is involved in the automation industry. They have been in business for less than 10 years. They just bought 48,000 square feet, and they intend to go whole hog, if I can use that term, into automation, machinery, and exporting that machinery, specifically to South America, because that's the market they see. They employ about 65 people in a variety of roles. The owner, who is hands-on, wasn't even quite sure what apprenticeship is all about. As a matter of fact, when I sent the student over for the interview, I sent along with him a copy of the apprenticeship training standard for general machinists.

When I see that, it tells me that person and the sector he represents perhaps are not well served by the current model. Now, is that because of the current model or is that because of his lack of knowledge?

1640

Mr Lessard: It seems that this bill is going to give that person more power to determine the training needs of that person you would send over, so in fact there is less control. At least you have the opportunity to provide him with those standards which would need to be complied with, whereas in Bill 55 it seems there is more opportunity for him to be involved in determining the quality of the training that would be provided.

Mr Cianfrini: I go back to what I said earlier: In order for it to be successful, there has to be a strong central control around training standards.

Mr Smith: Thank you for your presentation. I'm interested to know the relationship or the type of dialogue, if any, that exists through this act, and you made reference to broad-based technology, between the school board environment and our provincial advisory committees that represent different skilled-trade sectors. Does that dialogue take place? I know you made reference to the home-building example that is occurring presently, but on a bigger scale, typically, is that dialogue taking place?

Mr Cianfrini: That dialogue takes place, from my experience, primarily at the local level, not necessarily at the provincial level. I think there's a strong working relationship, and again it's because of the individuals involved at the local level. But I don't see, or I haven't seen up to this point in time, any province-wide initiatives.

Mr Smith: Mr Lessard pursued the issue of centralization with you a little bit. I realize the response

you gave, but I'm trying to get a sense of your position. Does the centralization issue mean legislating it? When I say that, does your group support having specific issues like wages and ratios in legislation, or are you comfortable with the centralization process to the extent that we have industry representatives determining those standards? You indicated that standards are important to the future of apprenticeship. I'm trying to get a sense of where that standards development should lie.

Mr Cianfrini: I believe, based upon not just my own personal feelings but upon what I've heard from the employers I deal with and in fact the young people involved in our programs, what would suit them best would be a program that would allow employers and all stakeholders — unions, employee groups, associations — to develop what the standards are in a particular apprenticeable area. At that point, if those skills have currency, I think the market itself will dictate what the wages related to those skills need to be.

Mr Smith: So you're not concerned that by devolving wage levels down to our PAC levels, that in fact will cause a lowering of wages, that the market will still dictate what the market will provide in terms of salaries for these individuals?

Mr Cianfrini: That's difficult to answer. It's like anything else: If you don't tell someone they can't do it, they very well might set up a system that drives down those salaries.

The Chair: Thank you very much for your presentation this afternoon. It was quite informative.

TORONTO-CENTRAL ONTARIO BUILDING AND CONSTRUCTION TRADES COUNCIL

The Chair: The next presenter is the building and construction trades council, if you could give your names to the members of the committee and for the Hansard record.

Mr Gary White: My name is Gary White. To my left is John Cartwright, business manager of the Toronto-Central Ontario Building and Construction Trades Council. Our construction trades council represents apprentices and journeypeople in the ICI, heavy engineering, residential, automotive and power sectors.

I'll be brief with my remarks. Although I'd like to speak to everything, there isn't enough time to do that, so I'll limit it to regulations and enforcement.

I'm a journeyman ironworker. I spent four years as apprenticeship coordinator with the Ironworkers, and I have a fairly sound understanding of apprenticeship and the way it operates. Presently, I am on a number of committees associated with the building trades and as well have been appointed to the Toronto training board. The board is made up of labour, business, women, handicapped and visible minorities. The Toronto training board's job is to give advice to the minister and direction with respect to aspects around training. I will say that, while they weren't able to give a deputation because of limited space, they will be making a written submission.

The one major thing that they say with respect to the regulations is they cannot take a position with respect to regulations when they don't know what the regulations are, because they are not before them. So that's a real concern.

Earlier today, during Minister Johnson's remarks with respect to regulations and the need for change around the "one size fits all" in the general regulation, the minister struck something that was very near and dear to my heart, and to all the ironworkers who have been present here today for sure, when he said that the reason we need the change is because, as an example, in the ironworker trade it's one apprentice to one journeyman, and then after that, if you can believe it, one apprentice for every seven journeymen.

I can tell you today, without going into a whole bunch of elaborate details, it's very important in the ironworker trade that there is only one apprentice on the job and seven journeymen around that individual while you're in the erection phase of structural steel. There are some very, very serious and life-threatening concerns around that.

The trade has evolved to the point where the provincial advisory committees and the local apprenticeship committees don't just stick strictly to that so it's seven to one on all projects. There are areas in which there are shifts and change. I think that's what some of the committee members were trying to allude to today. So to say that it's broken and that you have to change and use that example is in my opinion unfounded. As Bill Jemison, who was here representing employers earlier, stated, we don't only need more training; we need the best type of training and increased training.

With respect to enforcement, I understand from the minister that it's to be handled by the Minister of Labour. Health and safety issues on the job site are critical. In my position as a business representative with the building trades, I'm called out to job sites on numerous occasions where there are major concerns with respect to individuals' livelihoods. Not that there's a bit of garbage around; I'm talking about the direct threatening of either their life or limb.

I'll give you a specific example of that where I was called to go to the Military Trail public school, where an individual had a structural steel beam roll over on his leg. That beam rolled over on his leg, in my opinion, because they were untrained. I don't know exactly. I wasn't there, and there wasn't a whole bunch of detail coming from the employer either, because he was busy reading the blueprints while he was operating the crane.

The thing that concerned me about that situation, though, was when I approached the individual who was on the truck. He was a very young man, probably 17, 18, 19 years old. What was happening at that time was they were lifting steel off a truck. This is Military Trail public school, where there are children playing in the playground — not the playground, but waiting to go into their portables — and they were lifting steel up through trees where branches and limbs and everything were. I'd say those individuals didn't get very much training. So I went

up and asked the individual: "Are you an ironworker? What's your capacity?" He says, "I don't know, boy, I just got the job." I don't fault that individual. I think there are some serious concerns, though, when it comes to training and those types of aspects.

1650

Where this is significant is that I tracked this and went to another job site where that same employer was, and I approached another individual and asked him if he knew what he was doing. Again, he was an individual from probably Newfoundland, by his accent. He was working alone connecting a structural steel member. I asked him if he knew he was working unsafely. He said, "Yes, boy, but what do I do about it?" I said, "You could tell your boss you should have a partner to put the piece of steel together." He said, "Oh, I can't do that, boy." So I called the Ministry of Labour to check on that and you know what? Nothing happened. My understanding is the Ministry of Labour is too busy to go out to check on things. They're too busy going out investigating injuries and things like that. My point is that two days later there was an individual who fell off the steel and broke his leg. The ministry did go out to the job to investigate that, but the problem I have then is with enforcement. How in the world could any measure of apprenticeship, Bill 55 or otherwise, have any form of enforcement if where the enforcement is going to be placed is with the Ministry of Labour and they're already too busy to act?

With that, I'll turn it over to John Cartwright.

Mr John Cartwright: I think the things that Gary has just outlined are key to this committee's understanding of why we're concerned about Bill 55.

The minister, in his introduction this morning, talked about flexibility. What you're doing is taking a system that's 30 years out of date and making it flexible. But from our point of view, because we live in the real world of people falling and breaking their legs or people being killed, what Bill 55 represents is dismantling a system that has been crucial to providing the skills for people so they can work safely and work productively.

In Bill 55 there's commission and there's omission. From our point of view, what we see for Bill 55 is a series of logical consequences that will undermine the integrity of the trades as they exist in Ontario today.

We're talking about the construction industry. From our perspective, we have developed a system of trades qualifications and apprenticeship training that is truly remarkable because it has created the most productive and highly skilled construction workforce in the world. You don't have to ask us about that, if we're bragging. You can talk to any of our contractors or major engineering firms that go throughout this world and they'll tell you that's the experience.

Sitting here — and there was some rapport between Steve Gilchrist and Wayne Samuelson — I'm very conscious of the fact that the government caucus particularly will take what trade unionists and union leaders say and sometimes discount that, so I'm going to use somebody else's words. I'm going to talk about the

experience of jurisdictions where what Bill 55 is doing has already been tried, so that we don't have to guess collectively what the results are. We can actually see the proof in the pudding.

The first document I'm going to share with you is a production of the Business Roundtable. The Business Roundtable in the States is like the Business Council on National Issues here. It's the top CEOs of, I think, the 500 largest industrial corporations.

In October 1997, they issued a paper called *Confronting the Skilled Construction Workforce Shortage*. The reason they issued this is because there's a crisis going on in their industry, in construction, particularly in the Gulf states. I'm going to share some of the language here.

A chemical company in the southeast experienced delays on a \$60-million project, in spite of paying overtime and a per diem to attract workers. A paper mill expansion required special wage rates, scheduled overtime and recruiting outside normal areas to reduce the effects of worker shortages. A chemical company delays a new \$9-million unit in the southwest because of lack of qualified welders. A utility company has problems attracting electricians, pipefitters, boilermakers and insulators for a \$3-million boiler outage. An oil and gas company utilizes excessive overtime to lure workers from other jobs to compete on an offshore platform but still has cost overruns and schedule delays.

That's the experience major industrial clients, particularly in the Gulf states, are finding 20 years after the US dismantled its apprenticeship system in those states.

They did a survey. Over 60% of the survey respondents indicated they had encountered a shortage of skilled craft workers, and 75% reported the trend had increased over the past five years.

They talked about how they got there. Twenty-five years ago the large owner-clients said: "The construction industry costs too much. We shouldn't have to pay for journeymen. Let's bring in helpers, let's change the apprenticeship system, let's go to skill sets." They went down that road, and what they ended up with is a skill shortage.

They point out that the union sector has always excelled in craft training through joint labour-management apprenticeship programs, and that's who's been presenting to you today. These programs and those developed by large open-shop contractors supplied the skilled workforce needs in the 1970s and 1980s, but the lack of standardized training in the open shop is now taking its toll as their market share has grown to 80% and the older skilled workforce is depleted.

The open shop sector, they say, must change its attitude on the value of training. The larger ones have always recognized the value of development, but the sector as a whole has not supported formal craft training to the extent necessary. They succeeded by attracting skilled workers from the union sector as the market shifted, but as the well

begins to dry up, the ability to use these methods decreases.

Why do contractors not train? Many reasons are given: It is cost-prohibitive; investment is lost when a trained worker moves to a competitor. Many fail to recognize the need or appreciate the productivity effects. That's been the real experience.

We were in a debate on the other side of the table around Bill 31, and the government chose to look at Sarnia and the need to compete around the petroleum industry as to why you had to move on Bill 31. The experience is that if you go down this road, two decades from now you will have a skills shortage in those vital industries and you will have eight-month to one-year delays in projects. That's not a union telling you that; that is the major CEOs of industrial America.

Here in Canada there is another jurisdiction that's looking at going down the same road, and that's Alberta. I don't think it's an accident that there's often a lot of discussion between certainly the Minister of Labour here and the Minister of Labour there and others about some directions. Alberta floated some ideas similar to what you floated a year ago and invited response. There's one employer who is the major employer involved in construction maintenance, particularly in the petrochemical industry in this country, Delta Catalytic. They're not one of the deputants that are going to be in front of this committee over the next three days, but I want to talk to you about their words in responding to what happens when you deregulate. Delta Catalytic says:

"Removal from regulation will encourage certain groups to consistently pressure government and other associated entities to travel the road of quick fixes to address short-term changes in the economic climate. In essence, certain groups will be focused on short-term manipulation of standards to achieve short-term economic gains. This strategy will inevitably result in a dramatic detraction from the long-term required focus relative to apprenticeship and, Delta Catalytic believes, will subject Alberta's apprenticeship system to unwarranted gyrations and instability."

If you have the premier employer in the country dealing with upholding the economic health of your industries telling people that this is the wrong direction to go, I think it's incumbent on the government caucus in particular to think about this.

I understand that one of the interests in moving this thing forward is so that the government can say you've responded to youth unemployment and you will create thousands of new jobs in apprenticeships. But I want to take you back to a factor of our real life. We go through booms and busts in construction. The trade I'm in is carpentry. In 1989, my home local union had over 1,000 apprentices responding to the economic boom at the time; 200 of them were women and many of them were visible minorities, aboriginal kids. That local union had done more outreach among young people than almost any other in this country. Three years later, what had happened? There was a recession and 600 of those young people and

virtually all of the women were starved out of the industry. Did anybody do them favours by saying: "Let's open up the doors. Come in and have an apprenticeship and you'll have a job for life"? No, we lied to them, because there are cycles in our industry. So I would warn the government about opening the doors and flooding the industry with thousands and thousands of people, about where that will lead young people.

1700

On the other hand, there are sectors, particularly the manufacturing and service sectors, that need to have apprenticeship developed and brought in as a training culture, and somebody before me talked about a training culture. Twenty-three years ago I was an apprentice attending a government forum on apprenticeship. We had representatives from Germany, which at that time had the highest standards of apprenticeship and trades training in the industry sector, come and say, "We can't understand. If Ontario has a skills shortage, why don't you have a training levy, like we do, applied to all industrial manufacturers, and those that do the training get a rebate, and those that don't, pay the contribution to the cost of training?" That still hasn't been done.

I suggest to you that if the manufacturing and service sector employers had the same commitment to trade training as our employers in our industry have, you would not have anything even resembling a skills shortage in those industries. You would have them as healthy as we are, and you'd have them here with us saying, as our employers are: "Don't break it. It's not broken now."

The problem we have is we're dealing with an imaginary industry that the bill addresses, and those of us in front of you are dealing with real working knowledge of an industry. Somebody said to Colleen, that young woman apprentice here, "Nothing will change in your life because there's a transition period." I'll tell you what will change. This is from real life. This isn't how you would imagine it, but if you've been there and tasted it, you know it.

Our affiliate, the IBW, organized all the housing electricians in the last three years. Last year one of the organizers walked into a home, a subdivision just here in Mississauga, and he saw the owner of a company with four young immigrant workers. He was showing them how to connect receptacles for electrical and then he was sending them out to the houses in that subdivision to connect the electrical receptacles. That's against the law.

That organizer was able to phone the ministry and have somebody come down and put an end to that. The ministry, based on the law, would be able to go back to the employer and say: "Show me your payroll record, and let me see how many of these people are certified journeymen electricians and how many are apprentices. Everybody else on there has no right being in the industry." Bill 55 will mean that the inspector can walk in, see that sight and the owner can say: "I was only just showing them an interesting part of the trade. They're only wire pullers. They're only going to be doing skill sets of wire pulling and conduit bending. Honest."

That is why the employers in the electrical industry, the mechanical employers, the crane operator employers and all those in front of you are saying, "Please, don't do this." Because Colleen will be working for an apprenticeship and a journeyman status, and unscrupulous electrical contractors will hire skill set trainees and go and tender on jobs paying people \$8 and \$9 an hour and undermine her fair contract, or who's bidding on her earning an apprentice rate of maybe \$12 or \$13, and her employer will lose that job. Then they'll lose the next job. Then they'll lose the next job. Then the employer will say to Colleen: "Sorry, here's your layoff slip, because I can't compete against unscrupulous employers who are using trainees who have got skill sets and are being paid minimum wage."

That's how Bill 55 will strip that young woman of a future. That is why I'm urging the committee to please listen. You don't have to listen to me. I'm a trade union person. I'm a leader and whatever other bad connotations that brings to some people's minds. I'm a carpenter. Don't listen to me. Just listen to our employers in the construction industry, who are saying, "Please, don't wreck our system that has served us so well."

The Chair: That uses up all of the time that you had allocated, but I would ask that you submit — you mentioned two papers: the CEOs and the Delta Catalytic. If you could leave those, they sounded like interesting perspectives.

Mr Cartwright: I don't have enough copies for everybody, but I'll leave a couple.

The Chair: If you could just send one to the clerk.

Mr Cartwright: Sure.

The Chair: Very good. Thank you very much for your presentation.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION, LOCAL 237

The Chair: We're now at the point where we have the last presenter, OPSEU, Local 237. If you could give your name for the record.

Mr Walter Boettger: I am the to-be-determined person on the list. I'm Walter Boettger. I represent OPSEU.

I would like to thank the committee for allowing me the opportunity to speak on the government's initiatives towards apprenticeship reform in Bill 55. I am here representing OPSEU and, more specifically, faculty from the 25 community colleges across Ontario. We number approximately 6,000 in total, with about 25% of us actively involved in training. We provide about 15% of the total, or in-school portion of training, and we provide training for about 95% of the recognized trades.

Firstly, I'd like to reflect on the historical notions of apprenticeship training. The social mindset of yesteryear was to channel the less academically inclined students into a trade where they could probably be more successful using manual dexterity rather than intellect. The more scholastic students were encouraged to move on to

university or college. Thus a stigma became attached to the trades, making them a career of second choice, or for only those with a lower intellect. We know that this is grossly wrong; this thinking is terribly wrong. However, the societal evolution away from this thinking is ever so slow.

In the 1960s and 1970s, most high schools were equipped with very functional technical shops. Now, most of them have been dismantled, and it's probably due to funding cuts. Technical shops are very expensive to set up, very expensive to maintain. Trade exposure for high-school students has been severely limited. To add further injury and decay, the federal government is abandoning its role in training. Many feel this government is filling the financial gap on the backs of the apprentice. Earlier today, we talked about tuition. At no time has it been mentioned whether it will be \$20.00, \$2,000 or \$20,000. This move is especially problematic for adult learners considering the trades later on as a second or third career.

The government strategy to attract high-school students into apprenticeships will likely feed the stigma. Even though the trades are in high demand and in many cases pay decent wages, we feel the government has done little to change the image.

If the government decides to introduce tuition fees while eliminating minimum wage requirements and, furthermore, considering the social attitude towards apprenticeship in some cases, the candidates previously interested in entering the trades will be discouraged. As I said before, possibly huge education debt loads will result and access will be limited or out of reach. Again, this is more problematic for the adult learners. That's why I say that at this point this government should seriously consider tuition-free incentives for these people.

I have been an apprenticeship teacher for about 11 years, and like others in the area I have noticed a number of shortcomings. I will bring them to your attention and would appreciate it if the government would take these into consideration.

Some apprenticeship curriculum was developed many years ago and is in dire need of revision. Personally, I teach in the construction and maintenance electrician program, and two years ago I was still using tip packages dating back to the 1980s. We know that electricity still flows in whatever direction, but the technology has dramatically changed. I recommend that this curriculum be reviewed on a regular basis. All training stakeholders must be equally involved, and the process should be kicked off via a system-wide needs analysis. This will serve the needs of both small and large business.

We haven't talked much today about small business, and I believe that they are the backbone in a lot of apprenticeship areas. There is a concern that big business, through local college business partnerships, will drive task-specific training, thereby diluting or eliminating certification requirements. The small employer will be discouraged from getting involved and ultimately may decide not to. This results in a less skilled workforce, forcing down wages and reducing any attraction towards a

profession. Personal, public and environmental safety is now at risk.

Secondly, realizing that we are service providers for the in-school portion of training — and this is for unionized and non-unionized shops — there is no method of assessing a prospective student's chances of success beforehand. Levels of literacy and numeracy reflective of grade 7 appear to exist throughout the province for basic level students. A few colleges were commissioned by a previous governments to study early-warning strategies which would single out students who are initially at risk. In trials, this system proved very successful. Again, it is recommended that this initiative be revived and implemented system-wide. My point is that removing existing grade 10 academic requirements would have more devastating effects. In light of growing high-tech requirements for most trades, grade 12 may be more appropriate. This government has these statistics on file and should use them.

1710

The college in-school portion is normally experienced after a number of workplace training hours. A strong theory component, backed up by lab exercises, reinforces on-the-job skills learned thus far. This works well if the apprentice has in fact experienced the terms of the agreement. However, often an employer will assign a singular specific task for extended periods of time or allow the apprentice to work unsupervised, overlooking the agreement. This sort of breach disadvantages the student and demonstrates an educational disconnect between the college and employer.

The ratio requirements of journeyman to apprentice and the necessary skill set encompassing a trade were in many ways designed with protection of public safety and the long-term journey of an apprentice in mind. The ministry must legislate a commitment to continually reinforce and monitor both employer responsibilities and college responsibilities. This may account for high levels of failure when the certificate of qualification exam is taken. As an example, the industrial electrician program has about an 80% failure rate at this point.

Apprenticeship skills must be transferable and portable within our educational sector. The ability to move both laterally and vertically without impediment will make the trades a more viable option. Currently a few associations are recognizing classroom and workplace experience as credits towards other professional designations. One of particular note is OACETT, which is recognizing some trades as one half credit toward technician status. If the government decides to deskill or deregulate some trades, these evolutionary and revolutionary agreements would disappear.

The CTHRB, which is the Canadian Technology Human Resources Board, is actively pursuing national standards for technicians and technologists. I ask, why is the Ontario government attempting to fragment skill sets and not pursue further enhancement of the red seal program and national trade standards?

There is mounting pressure from this government to privatize various sectors of education. The colleges have delivered the in-school portion of training for many years and, we believe, have a proven track record. We are a full-service institution offering thousands of courses plus ancillary services such as counselling, tutoring, special needs, libraries, social activities and so on.

It is very important to have faculty who can perform competently in their field but be able to teach too and to compensate them appropriately. College faculty salaries are not out of line compared to many trades, and in the private trainers area in many cases they are paid salaries far below what a tradesperson would get on the job.

Many private deliverers have adopted student-directed or computer-based learning styles as a method of competing against the colleges. These styles are not user-friendly for many participants and are a major cause of attrition. This is probably a reason behind the high default rate for private trainers.

Alternative methods of curriculum delivery have their place, but they need to be practised in the appropriate application and proportioning. There is extensive research to support that these methods should be the exception and not the norm. Remember, computers do not make good teachers. Teachers physically in front of a class can add the aspect of problem-solving and critical thinking to their everyday lectures and create a worker with more independent thinking and abilities. All employers are looking for this quality.

We believe the community college system should continue to be the primary deliverer of apprenticeship training. An increased funding level needs to be provided immediately to enable community colleges to provide the flexibility being sought while maintaining or, better yet, improving the quality and level of expertise so urgently needed by industry.

The college system offers the following advantages: a proven ability to respond to needs; clear accountability to the public; experienced college staff; a history of involvement in program and curriculum development; counselling, library and other services for the apprentice; colleges are easier to regulate; existing infrastructure is already paid for; the reputation of the institution adds value to the apprentice's certification.

Finally, it must be emphasized that college training has a general component, general skills, and this reduces the possibility of providing training that is too employer-specific. Generic skills training will reduce the need for costly retraining when a tradesperson changes jobs. We did hear today about the cyclic nature of the trades. There are no dead ends in college training, as Marshall Jarvis was alluding to, if someone out of grade 10 should get into an apprenticeship and find that it is redundant or find out that this is not really the field for them. Delivery by the colleges adds value significantly more than just the 15% time spent in the classroom.

Thank you for listening. I trust these comments will be taken into consideration. If you have any questions, I'd be pleased to answer them.

The Chair: Yes, we would allow about one question from each caucus and I will start with the government caucus. Actually, it's the NDP caucus. Excuse me, Mr Lessard.

Mr Lessard: It was a Freudian slip, I bet.

You posed this question and maybe I'll ask you whether you can speculate about what the answer to the question is, that is, why is the government trying to fragment the skill sets or the skill levels of people and trying to change the red seal program and affect the mobility of journeypersons to be able to travel between provinces or jurisdictions?

Mr Boettger: Maybe I can relate this to a personal experience that I have on a yearly basis. I am a teacher currently in the general metal machining program. It is a modified program of 45 to 48 weeks, depending, in which they can go out and seek out an apprenticeship. The problem we have is that many employers come to the college and try to entice these people into an apprenticeship before the program is finished. What they do is encourage them to work for their facility for \$7 or \$8 per hour doing one specific task. What has happened more often than I would really like to know is that they come back the following year finding out they've been deemed redundant. They've gone out and attained some skill on the job, they were used more or less for a production run and then they were cast away. I don't know how else I could explain it.

Mr Smith: By way of information, you made reference to the early warning assessment as something that you were supportive of, and I want to indicate to you that that initiative is still ongoing and in fact under this government we've expanded that initiative so that every regulated trade will be subject to that assessment by the end of next year. I thought you would find that of interest.

The other issue is, you made a passing quick comment about alternative delivery models, saying they had a time and a place. Could you quickly elaborate on your position there?

Mr Boettger: Alternative delivery in many cases is student-centred learning, which is reading from a textbook, answering some questions and passing in the material to the teacher, where very little contact is really had with the teacher: computer-based instruction, again where you're working with the computer, very little contact with the teacher.

I work at Conestoga College and last year they attempted to introduce alternative delivery into a number of key programs. There was a huge uprising from the students saying: "Where's our teacher? We need our

teacher for that interaction." Subsequently, the college changed its mind on it and converted a number of the programs back to the conventional style. I'm not saying that it's wrong to use it; what I'm saying is that it has its place. Some people adapt very easily, but the majority do not.

Mr Caplan: Mr Boettger, thank you for your presentation. You covered an awful lot of ground. I'm only going to touch on one particular aspect, but I think we could have a conversation for quite some time about apprenticeship and training.

The ministry did a user survey of apprentices. This is in regard to tuition. I'll read from the ministry's own survey. It says, "Almost half of the respondents indicated they would not have registered for the program if they had been required to pay half the tuition fees, and more than half said the same when confronted with the full price of tuition." So your thought that tuition would pose a barrier to somebody wanting to go into the trades I think is borne out by the ministry's own data. It really makes me wonder why they're pursuing this particular direction. Do you have any ideas why that would be?

Mr Boettger: Probably for money. What other reason?

Mr Caplan: That's probably quite an accurate comment.

Mr Boettger: I have some personal thoughts, and then I have some party line thoughts here. The party line is that we should not have any tuition whatsoever.

Mr Caplan: As is the case now.

Mr Boettger: As is the case now. However, and this is where I'm going to break rank a little bit, I, like some other teachers, have always felt that if there was, for lack of a better choice of words, a token amount of tuition charged to a student, that would probably cause them to be more interested in the program. We do have courses offered to faculty at Conestoga College for \$20. We tried to eliminate that and the debate was around, "If you pay your \$20, you'll probably fulfill the obligation, rather than if we provide it for free." However, I don't believe the government here is looking at charging \$20; they're looking at charging thousands of dollars.

Mr Caplan: I believe the full cost is \$2,350, according to the ministry's own estimate.

Mr Boettger: Over what period of time?

Mr Caplan: That's one year. That's the tuition cost for the in-class portion of the year.

The Chair: Thank you very much for your presentation. That concludes the hearing today.

The committee adjourned at 1724.

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Mr David Caplan (Oriole L)

Mr Bruce Smith (Middlesex PC)

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Deuxième session, 36^e législature

Official Report of Debates (Hansard)

Tuesday 17 November 1998

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Mardi 17 novembre 1998

Standing committee on general government

Apprenticeship and
Certification Act, 1998

Comité permanent des affaires gouvernementales

Loi de 1998 sur l'apprentissage
et la reconnaissance
professionnelle



Chair: John R. O'Toole
Clerk: Tom Prins

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Tuesday 17 November 1998

Mardi 17 novembre 1998

The committee met at 0900 in the Holiday Inn Select, Windsor.

APPRENTICESHIP AND
CERTIFICATION ACT, 1998LOI DE 1998 SUR L'APPRENTISSAGE
ET LA RECONNAISSANCE
PROFESSIONNELLE

Consideration of Bill 55, An Act to revise the Trades Qualification and Apprenticeship Act / Projet de loi 55, Loi révisant la Loi sur la qualification professionnelle et l'apprentissage des gens de métier.

ESSEX AND KENT COUNTIES
BUILDING AND CONSTRUCTION
TRADES COUNCIL
MECHANICAL CONTRACTORS
ASSOCIATION OF WINDSOR

The Chair (Mr John O'Toole): Good morning. We're happy to be in the lucky city of Windsor to start the second day of hearings on Bill 55. I'll call the first group, the Essex and Kent Counties Building and Construction Trades Council.

Interruption.

Mr Wayne Lessard (Windsor-Riverside): On a point of order, Mr Chair: I just want, on my own behalf and on behalf of the people here in Windsor, to welcome the committee to our community to have these hearings.

I know that at the subcommittee level there was some reluctance to come to Windsor and that the only way we were going to have these hearings was if we had half a day in Windsor and half a day in Hamilton. I want to acknowledge the work that Steve Gilchrist did to put forward a motion that we have a full day here in Windsor to hear from people about how they feel about Bill 55.

I think what we'll hear from people is, they'll join with me in saying that Bill 55 should be shelved. People are going to say, "Don't cut the heart, don't cut the future out of our trade," and that you should go back to the drawing board, have meaningful consultation and bring forward legislation that's going to help young people and apprentices in our community.

Interruption.

The Chair: Thank you very much, Mr Lessard, and you know the rules with respect to any form of demonstration. We wouldn't like to have to address that.

I appreciate the delegation this morning from the Essex and Kent Counties Building and Construction Trades Council. Welcome, and please introduce yourself to the members of the committee as well as for the Hansard record. You have 20 minutes to use as you wish.

Mr Dick Pearn: Good morning. My name is Dick Pearn. I'm the president of the Essex and Kent Counties Building and Construction Trades Council. I'm the business manager for UA local 552, Windsor, for the trades of plumbers, steamfitters and apprentices. I serve as chairman of my union's joint apprenticeship council and I have also sat as a labour representative on the provincial advisory committee for the certified trades of plumber and steamfitter whenever required to do so.

Members of the hearing committee for Bill 55, ladies and gentlemen, I appear before you today to speak against the proposed changes to the tradesmen's qualification act as they are outlined in Bill 55.

As I see it, these changes would at the very least remove a minimum requirement for an education standard to enter a trade; force apprentices to pay tuition fees; eliminate the minimum mandatory wage percentage for apprentices as they apply to journeyperson rates; remove apprentice-to-journeymen ratios; drop the stipulated term or duration of apprenticeship; eliminate compulsory certification; fragment the trades into skill sets or modularized training.

I am speaking as a representative of labour and will provide you with my perception of labour's position on these subjects proposed in Bill 55. The gentleman to my right, sharing my allotment of time, is Mr John Fahringer from the Mechanical Contractors Association of Windsor. He will no doubt provide you with his view from a contractor's perspective and as a construction employer.

I represent some 320 plumbers, steamfitters and apprentices in the Essex and Kent counties area and I am here to convey their concerns to you as well as my own. They feel that Bill 55 will demean the trades they have learned and the supplementary training achievements they embraced to prepare themselves to be skilled contributors to the construction industry. They feel that Bill 55 and its intent will compromise safety, create an unstable workplace and diminish their chances for continuity of work.

Both plumber and steamfitter trades are, as you know, two of the few compulsory certified trades within the construction industry. They received that designation for very good reasons. Public health and safety would be probably the most obvious; personal safety for the installers and for those around them when repairs or modifications are necessary would be another.

Both trades control and effect the installation of simple and complex piping systems. These systems convey items such as high-pressure steam, potable water, hot water, gases of all kinds, high-pressure air, sewage and sewer gases, process products, gasoline and other products, and the list goes on. The scope of work even extends into medical gas installations in hospitals, laboratory services and other medical environments.

All the above are potential killers if not installed and maintained in a professional, uncompromising manner. How could any government rationalize justification to trivialize the importance of these essential commodities to all levels of the public?

Not only must the work conform oftentimes to strict specifications; it must also be performed in conjunction with all safety regulations set down by provincial law. In today's construction world, working safely has become one of the most significant factors in the working life of the construction worker.

Whether these systems are installed on the ground, under the ground or 50 feet in the air, it is incumbent upon the installer to perform the work in accordance with the specification requirements and in keeping with all safety regulations, I might add, at the risk of personal prosecution for any breach of these regulations.

A person trained to perform a fragment of the trade with a skill set or just the completion of a module under his belt would not meet the needs of modern construction. Then there would be the cost of providing safety training for the numbers of employees that trade fragmentation will create.

Teamwork and intertrade coordination is also a factor in the construction industry. When the well-being of your fellow worker is placed in your hands in a job site scenario, you must be able to assess a situation and be confident that all is well before attempting any manoeuvre. These qualities are not often attributable to an under-educated school leaver. It is therefore essential that a minimum standard of education be maintained in order for any trainee to enter an apprenticeship program. One can only assume that the introduction of skill sets would provide only repetitious duties for the trainee. Repetition produces boredom and encourages a lack of concentration.

A person equipped with only a skill set or modularized training would have no place in the arena of a full-blown construction site. Furthermore, students and/or persons preparing to enter the workplace ought not to be duped into believing that acquiring a skill set will transform them into a skilled tradesperson ready for the construction world. Instead, they should be encouraged to make that extra effort to acquire the required grade to enter one of the trades as we know them today.

We feel that tuition fees would be a most unfair imposition on an apprentice. Within the grand scheme of things, apprentices pay their full share of personal income tax, pension, compensation premiums, EI premiums, welfare benefit coverage and so on. All throughout their apprenticeship periods they make all the standard monetary contributions to our social programs. They often have a family to support during the course of their contractual requirements. Extra burdens such as tuition fees could only serve to diminish the interests of a young person and discourage him or her from entering any contractual relationship.

This brings me to the percentages of a journeyperson's pay that an apprentice should receive during the various periods of his or her apprenticeship. To be expected to bind oneself to a contract or commit to a training program and not be aware of what your employer is obliged to pay would be both one-sided and most unreasonable. Only the vulnerable would venture into such an arrangement. I believe, therefore, it is essential that wage percentages of apprentice to journeyperson should and must continue to be mandated and enforceable throughout the apprenticeship.

Ratios of journeymen to apprentices within the construction industry should also not be sacrificed at the hands of Bill 31 — sorry, Bill 55.

Mr Lessard: That too.

Mr Pearn: That too.

I can see that there may be some room to expand the numbers of apprentices in certain scenarios; however, the teaching journeyperson must also be a productive employee for the employer. Teaching proper skills in a job site environment can be both tedious and time-consuming. It is the responsibility of the journeyperson to provide the practical education for the apprentice.

0910

Only a small percentage of tradespersons on any given project would possess the special skills required to pass on their knowledge and be productive. With that being the case, surely it would be counterproductive to any employer's workplace economics to overload any project with trainees. Established ratios achieve an acceptable level of production and should not be eliminated by any amendment to the tradesmen's qualification act.

The duration of time that a trainee is bound to a deed of apprenticeship is also a topic of compromise if Bill 55 were to be enacted. I know first-hand the effect that technological change has had on the industry of construction. In my opinion, with all the new developments, together with legislated safety requirements, some apprenticeship periods could well be extended.

I can only add, at the risk of being repetitive, that to meet the needs of the majority of the employers and their clients on projects in and around Essex and Kent counties we must be able to produce an all-round skilled tradesperson.

In a quote from a newspaper recently, a statement was made that the regulations for the trades of plumber and steamfitter have not been changed or amended since 1954.

The truth is that they have been constantly monitored and changed where necessary via the provincial advisory committees acting on behalf of the provincial government. I have been proud to serve on these PACs, together with a number of employers, and under government chairmanship. Healthy discussions with viewpoints from both labour and management always produced a means to improve upon what was already there. Recommendations were made at the committee level and usually adopted into practice.

Locally, the united associations, Essex and Kent counties joint apprenticeship council, also play a major role in providing local industry with the calibre of tradesperson required to meet the ever-changing technology. I have been proud to witness the yearly graduations of trained plumbers and steamfitters in my organization.

Our local council, comprised of an equal number of labour and management trustees, has closely monitored the construction industry's needs, enhancing skills with new courses where necessary. As providers of training, we perceived that our role was to maintain, and improve where possible, our training program to stay abreast of technological change. Never once has management told us that a person skilled in only one area of a trade would be advantageous.

We believe that it should be the role of government to continue to improve on established trade regulations, which are incidentally envied and admired by many training programs throughout the world. We of the building trades of Essex and Kent counties have always responded positively to the needs of our contractors and their clients when furnishing skilled personnel.

We have played our role in partnership with government. Why are they betraying us? We know that our apprenticeship training programs are in great shape, and the government should assist in fine-tuning those programs, not dismantling them. I encourage the Conservative government, or any other government for that matter, to not embark upon a course of deregulation by enacting Bill 55. It is their sworn duty as representatives of the people to preserve and protect our quality of life. The public at large, at minimum, should retain the right to expect the services of certified, licensed people when required, not a watered-down handyman who will give their problem his best try. Bill 55 must be scrapped in its entirety.

I thank you for listening to me.

The Chair: Thank you very much for your presentation. At this point we have about enough time for one minute per question.

Mr Steve Gilchrist (Scarborough East): There's another half of the presentation.

The Chair: Oh, pardon me. Yes, you still have about six minutes left in the presentation. I'm sorry.

Mr John Fahringer: My name is John Fahringer. I'm here having had experience in the construction industry dealing with apprentices over the past 40 years. I'm proud to say that I'm a licensed journeyman myself and have served previously on the PAC for the province. I'm here representing the MCAW, the Mechanical Contractors

Association of Windsor. I'd like to say that Mr Pearn has done a wonderful job making his presentation. It makes my job a lot easier, sitting beside him and concurring with everything he has said. There are a couple of points that I'll make very briefly to support his position, and then perhaps leave it for a question-and-answer period.

We are most concerned about these revisions. We see a great deal of difficulty with training the uneducated to become skilled workers. Eliminating wage fluctuations of apprentices will only make it more difficult for us in dealing with the unscrupulous contractors that we must at times compete with.

Ratios to journeymen allow proper on-the-job training and give the apprentice a full cycle of training. Apprenticeship time is very short now, as Dick has suggested, and the new skills being added constantly will make it very difficult to get the trained people we must have. Non-compulsory certification opens the door to lack of training and education and results in unskilled workers completing unsatisfactory jobs for the ill-advised public. Small businesses and rural areas would suffer most by lack of complete tradesmen.

Those are the very short points that I wanted to make in support of Mr Pearn and his position.

The Chair: We have approximately a minute per caucus for a question and a very quick response, starting with the Liberal caucus.

Mrs Sandra Pupatello (Windsor-Sandwich): Mr Fahringer, you've been involved with the PAC, historically, so you've got some history of working with government in developing changes to bills and laws to better the industry. Can you give me some sense of what the consultation process was like on this particular bill?

Mr Fahringer: I'm sorry, my experience was not with the current ones; it was back several years when I was on the PAC. I don't have any response to the current position.

Mrs Pupatello: Do you have any sense of what it was like this time around, Mr Pearn?

Mr Pearn: I'm sorry, I didn't understand the complete question. The PAC structure?

Mrs Pupatello: No, the whole consultation process about this bill. This is quite interesting, because for one of the few times with this Conservative government we actually have employers and skilled trades agreeing on what the government is doing in terms of this change in Bill 55: Everyone is opposed to it. So we're trying to figure out who on earth told them to do this.

Mr Pearn: I think they came out of the blue. It came out of the blue as far as we're concerned. It's something that hit us all of a sudden. It might have crept up on us without us really realizing it was creeping up on us, but it came out of the blue.

Mrs Pupatello: On the matter of tuition, for example, some of the information they had from surveys — because they're saying they have to get more people into skilled trades. Their own surveys that they had done indicated that half the people, had they been charged the tuitions that the government is now advancing, simply wouldn't have been able to go into the program. I don't know what

comment you have to that, but it seems contrary to the purpose that they're making changes in the first place supposedly to get more people into skilled trades, but then they advance hurdles to keep people out of the trades. Any comments?

Mr Pearn: No comment. I can only agree with what you're saying.

Mr Lessard: I want to thank you very much for your presentation this morning. We agree that Bill 55 is a framework for lower standards, for lower wages, less funding and higher fees. It's bad news for apprentices and it's bad news for young people in the province of Ontario. I'm pleased to see that there are so many apprentices here with you today to support your presentation, because I think they see what Bill 55 is going to mean for their future and they're genuinely concerned about it. This government has indicated that in the next election a part of their agenda is to attack unionized labour, and I think Bill 55 is a part of that attack.

I guess I have to ask you a question so I'll ask you whether you agree.

Mr Pearn: We certainly do agree.

Mr Bruce Smith (Middlesex): Thank you, gentlemen, for your presentation this morning. I just want to indicate to you at the outset that nowhere in Bill 55 is the provision established to pursue tuition fees. In fact, the Minister of Education and Training is on record as saying no tuition fees will be introduced in this province until we have a negotiated labour mobility agreement with the federal Liberal government. I just want to make that clear to you because I think you suggest that that is contained in the bill.

0920

One of the goals of Bill 55 is to have greater industry involvement. Why shouldn't your industry have greater involvement in terms of determining the skill sets, what comprises the trade of plumber, for example, and how that trade should be certified? Why shouldn't that be done by you yourself, a professional person, as well as by employers.

Mr Pearn: Are you asking me if I support skill set training?

Mr Smith: Part of the goal in this bill is to give greater authority to our provincial advisory committees so that you establish those very criteria. Are you supportive of that process?

Mr Pearn: The bill doesn't meet the market needs as it's designed. It doesn't improve the scenario.

Mr Smith: So you're not comfortable having greater say through your provincial advisory committee in terms of determining what comprises the trade of plumber, for example?

Mr Pearn: I believe the PACs as they were constructed were working very well. I don't think any expansion on that is necessary. It was a joint management-labour effort with government supervision, and I thought the PACs worked very well. We didn't stop the PACs.

Mr Smith: You're comfortable with the language that exists in the bill today, and you're not supportive of the expanded role that's envisioned in Bill 55?

Mr Pearn: We're comfortable with the regulations as they are today for each trade of plumber, steamfitter and apprentice.

The Chair: Thank you very much for your presentation to us here this morning.

LYNNE ADAMS

The Chair: I call Lynne Adams. Good morning, Lynne. If you could just formally introduce yourself and whatever organization you represent for the members and for the Hansard record.

Mr Lynne Adams: Mr O'Toole and committee members, my name is Lynne Adams. I'm a member of the CAW local 200, a toolmaker journeyman employed at Ford who began my apprenticeship in 1969. I am a member of the joint apprenticeship committee at Ford of Canada, Windsor site. As an avid supporter of skilled trades within the plants and community, I believe I am qualified to address this forum on the proposed changes to the apprenticeship act, referred to as Bill 55. I have read the act and have concerns that I will expand on.

It is agreed that the present projected shortage of skilled trades in the next two to seven years will be 14,700, as per the Windsor Star, April 24, 1998, comprising 42% of the manufacturing workforce, 66% greater than the number expected to enter the workforce in this period. As the headline suggests, this is a crisis. Bill 55 will not alleviate this problem. A short-term fix will only postpone a future need for employees skilled in the completeness that the present apprenticeship program ensures.

History shows that the Industrial Revolution created the modern factory, a technological network whose workers were not required to be artisans. "Technology" is based on the Greek word "tekhnē," which refers to an art or craft, and "logia," meaning an area of study. Thus, "technology" means literally the study or science of crafting. The factory system became a work institution of men, women and children, just another commodity in the production process, with the single purpose of creating a greater profit for the owners. We are entering a new industrial revolution, promoting menial tasks with no sense of gratification.

The proposed changes in Bill 55 will remove the percentage wage rate and the employer will only pay the market minimum wage. I believe that Bill 55 threatens a quality of life that has meaning, freedom of choice, a human sense of scale and an equal chance for justice and individual creativity, as suggested by the British economist E.F. Schumacher.

Technology is the application of fundamental tools and processes. Indeed, the concept that science provides the ideas for technological innovations and that pure research is therefore essential for any significant advancement in industrial civilization is essentially a myth. The steam

engine, for example, was commonplace before the science of thermodynamics. Only differing educational requirements, methodology, monetary rewards and professional goals define the differences between science and technology. The point is, most of the inventions of modern man came not from science but from visionaries with a vast knowledge base.

The comprehensive study done by Karen Hood states that a program must have multiple instructors. A skill learned from a single instructor has a poor chance of retention. Retention of skills is greatly increased though multiple instructors. A single instructor can only relate and expect skill absorption of 70% in any field.

Educators know that skills are learned through three methods: auditory, visual and mnemonics — hands-on — repetition. If a skill set is taught by a single instructor, the probability of skill retention is reduced, leading to a general degrading of skill levels. The solution to the crisis is not diluting the skill base, as the German-American psychologist Kurt Lewin also demonstrated.

The report *A Nation at Risk*, issued by the US Department of Education in 1983, and the 1996 report of the Department of Education's National Commission on Teaching and America's Future, cited several barriers to improved teaching in the United States. This study is comparable to the needs in Ontario that Bill 55 does not address, such as inadequate education programs and poor recruitment methods.

I suggest the following: (1) for all apprentices to be taught by experts who have the knowledge, skills and commitment to teach; (2) for all apprenticeship education programs to meet national standards; and (3) for all experts to have access to high-quality professional development.

I have spoken to students at career days in the local secondary education system promoting apprenticeships as a career. Today's young adults are smart. They know what's going on. If they see no advantage to apprenticing, why would they? These grade 10 through grade 12 students were amazed at the opportunity that a skilled trade could offer when approached. Some have investigated this as a career choice, others were curious, but the majority would not even consider a skilled trade a career. Why? The schools promote higher learning, that you must get a university degree or there is the belief that only menial jobs are there for you.

My daughter graduated from university this spring. During the convocation ceremony, the president stated in his address that if you do not have a post-secondary education, you are doomed to a minimum-wage career. Why is this biased attitude promoted in our school system? I say, only through ignorance.

The ways to entice young adults into apprenticeship employment are:

(1) Wages: The opportunity must be there to receive a better-than-minimum wage, with the prospect for greater wages in the foreseeable future and the opportunity to make better-than-average wages during a career.

(2) Security: a need to know that the skills learned are mobile or transferable to other employers within the city, province or country.

(3) A completion or finish date: If an employer has the ability to control the rate of completion based on any criteria other than skill retention and proficiency, the length of an apprenticeship becomes questionable.

(4) There is also a need for the feeling of pride, completing something, building something, showing off your skills and having an expert say, "Good job."

An apprenticeship is a proven system of learning the skills of a craft or trade from experts in the field by working with them for a stipulated period of time. The act is proposing to weaken the craft base to no more than a series of task accumulations. The act does not consider the historically proven value of apprenticeships. The Ford apprentice experience dates back to the pre-war era. The Ford Trade School was probably the first organized skilled trades development program in the city. Its basis was not on skill sets but on graduating an individual with a broad craft base.

The apprenticeship standards formulated by the CAW skilled trades department is a good basic example the act should follow. The standards were refined with the single purpose of apprenticeship development within an industrial environment.

Locally, the joint Ford and CAW program is a model of success. It promotes completeness of skill learning by rotation into each plant site and areas within each plant where skilled trade journeypersons practise their profession. Using multiple resources, which include supervisors, engineers and other skilled trade journeypersons, the apprentice is exposed to various methods of resolution for a single problem. This method maintains a multiple skill base for recollection and variability in problem-solving for future situations.

0930

As the brief supplied shows, the suggested exposure in each area, including hours, is highlighted. Also, any special area of unique learning is suggested for each plant. This program is not perfect, but it ensures that a graduate apprentice has the ability to apply his various experts' knowledge bases to new experiences and new technologies.

As a father and grandfather with the desire that my offspring have the same opportunity to enjoy the privileges and benefits that a career in the skilled trades offer, I am greatly concerned with these proposed changes to a program that works.

The act is proposing a method of certification by skill set, but having many people proficient in a single task is only a short-term solution. Why would an employer hire a person who completed a whole apprenticeship when a short-term need is met with a skill set employee? When all the apprenticeship graduates have retired and moved into other careers and the employers are in desperate need of a master skilled tradesperson, there will be none. Then we will have another crisis, only this time the expertise will

have disappeared. That vacuum cannot be filled with skill set employees.

The act is focused on mentoring. Mentoring is serving as a guide, counsellor and teacher for another person usually in an academic or occupational capacity. The difference between multiple experts and a single teacher will have a negative effect. Therefore, I believe that the journeypersons' craft base will lead to a loss of the technological base for developing new ideas, inventions and an improvement in the quality of life.

How will Bill 55 be monitored? The proposed fines will be nothing but the cost of doing business, if caught. I suggest that the true cost will be a loss of creativity, inventiveness and, more important, the loss of life from unskilled labour. How many of us want to be in a airplane that has been maintained by a skill set employee? Not me.

Return the provincial funding for apprenticeships; increase the promotion of skilled trade apprenticeships in the schools, beginning at the elementary level; add more co-op opportunities; and increase the number of openings by mandating a ratio of apprentices to skilled journeymen.

Remember the motto, "Necessity is the mother of invention," but the father is the skilled journeyman.

I thank you for your time.

The Chair: Thank you very much for your presentation. That leaves a couple of minutes for each caucus, starting with the NDP.

Mr Lessard: Thank you very much for your presentation, Lynne. I think that too often laws are passed by people who don't have the experience you have. I think that oftentimes it's necessary for government members to get on to the shop floor to see life with the experience you have as a journeyperson so that they know what the impacts of the changes are that they're introducing. I appreciate your bringing us the perspective of what it's like as a journeyperson in an auto factory in Windsor.

Having read the bill, and based on the experience you have, do you think there are amendments that can be made or do you support the call of a number of other people that this bill should be killed?

Mr Adams: I don't support any amendments to it. We missed the opportunity here years ago for promoting skilled trades. We should have been doing this years ago. We have to get back into the act as it is now. There's nothing wrong with it. We just haven't promoted skilled trades in the elementary schools or at the secondary level. It has not been promoted. If you read Karen Hood, the study she did on teaching methods is very interesting. A single instructor cannot teach a student skills unless he is a teacher who's been taught the different methods. You can't do it. They're going to lose something. That's the fear, that they're going to lose.

Mr Lessard: You don't think that Bill 55 is going to encourage more young people to become apprentices, then?

Mr Adams: No, not at all, because there won't be any future for them.

The Chair: The government caucus.

Mr Tom Froese (St Catharines-Brock): Thank you for your presentation. I agree with Mr Lessard saying that industry certainly has a better handle on what is required in apprenticeship programs and skill sets and skill development and all that, and government doesn't. The minister has been on record, our government has been on record saying that it is the industry that should determine what the skill sets are, and you mentioned the certification and all that. That isn't changing. That is there now and it will continue to be there. We are looking for input through the PACs, the employers and employees, and the industry. That's not changing whatsoever.

You talked about the wages and your concern with respect to what happens there. We already have wage rates that are absent in 36 trades, so they have developed with the employers, the employees and the trade. They've developed those standards, so that isn't being taken away.

Based on that, wouldn't you agree that you, as an apprentice or as an employer or an employee or being involved in the industry, would want more of a say in what happens in the apprenticeship program?

Mr Adams: Unfortunately, you used the words "skill set" in the same context as an apprenticeship program. They don't have the same meaning, in my interpretation. The apprenticeship program stands today with the minimum wage or with 50% of the journeyman's rate as a starting point. That's what I believe. I don't know the old act.

But using "skill set" in the same terminology and in the same sentence as "apprenticeship" is a misnomer. It is not the same. Let me give you an example. It would be like having a doctor whose skill set is bandaging a wound. He doesn't know anything about the circulatory system. This is what you're trying to do to the apprenticeship program, just making an individual have responsibilities for a skill set. The skill set is a dilution of the trade. He won't know, he won't have the background knowledge to be able to get into and understand the basis of new technology.

The Chair: For the Liberal caucus, Mr Caplan.

Mr David Caplan (Oriole): Thank you very much for your presentation. By way of opening comment, I would just say that I've heard two questions from government members about things which are in this bill, which in fact are not.

It's a nine-page bill. It basically says, "Trust me." My friend opposite here said that all these things will be protected. None of that language is in this bill. My friend beside me here said that there will be a greater role for industry. In fact, the current role in the trades qualification act says that provincial advisory committees shall be able to advise the government on all matters pertaining to apprenticeship. The current language says that the provincial advisory committees will have the ability "To promote high standards in the delivery of apprenticeship programs." I would say that's quite a bit different. You have a much more comprehensive role in the existing legislation.

I think you're quite correct that there seems to be a bias against getting young people into the trades. In general

regulation now in the trades qualifications act there exists a minimum grade 10 standard. That's being totally removed. Do you think that is going to encourage more people to take a look at the trades, or is that going to further create a barrier or a stigma because now you're not going on to post-secondary education; now you're going to settle for something because you can't hack it? How do you think that's going to play in young people's minds when they take a look at all of their different career options?

0940

Mr Adams: I believe that the rationalization for the grade 10 minimum requirement is reasonable. Lowering the requirement of a base education for entry into an apprenticeship program is not necessarily a good idea. From reading the act, I think the reason the education requirement was lowered was to encourage people into a skill set type of occupation. If you investigate the craft and what the craft is and the skilled trades part of a job, there has to be some basis in mathematics and science, and a grade 10 education is a reasonable requirement for that.

The problem is that academia has never looked at working with your hands as an appropriate career. When you have a university president stating that you need 17 years of education to have any type of a job, that just shows to me that that poor man has never been outside in the real world, and I feel sorry for him. I really do.

The Chair: Thank you very much, Mr Adams, for your presentation this morning.

GERARD CHARETTE

The Chair: At this point the committee calls on Gerard Charette. Good morning, Mr Charette. You have 20 minutes to use as you wish.

Mr Gerard Charette: Good morning, Mr Chairman, ladies and gentlemen, members of the Liberal, New Democratic and Conservative caucuses. Thanks for giving me the opportunity of speaking to you this morning. By the way, I agree with the last gentleman who just said a lot about our attitudes about training. I want to get into that a little bit more. I think we really have to get behind the students who want to get into skilled trades, because there are wonderful opportunities. I agree exactly with what he said, especially about our attitudes about university education.

My name is Gerard Charette. I'm married, and I live in Amherstburg and work in Windsor. I have been proud to serve the tool and die industry for the last 20 years or so as a lawyer. I am currently a member of the board of directors of Reko International Group, which is one of our large tool and die manufacturers in town. In fact, I brought with me this morning the prospectus for the initial public offering that I had the pleasure of working on with Reko. It raised \$22 million on the Toronto Stock Exchange back in 1994, and this is a copy of the prospectus. The company continues to do very well.

In our prospectus — let me start with that if I may — it says something important about training. This company

went to the public, went to the people of Ontario primarily, and said, "We want you to invest \$20 million in our company, and here is part of what we want to do with it." I'm quoting directly from the prospectus:

"The company has developed a new training program to be implemented in the fall of 1994 and which will continue into 1995." Indeed, I can attest that it is ongoing. "The training program will involve drawing upon engineering graduates and students from St Clair Community College and the University of Windsor as an additional source of trainees. It will organize training into functional groups."

We talk about skill sets. What are people? What's their function? How can they fit in? One thing I can tell you is that when Reko trains an employee in one area, it automatically thinks about getting them trained in another area. Frequently the best tool and die makers are the people who start down on the floor and, as the gentleman who just finished said, they know it from the ground up. They know how to work with their hands. They make wonderful CAD/CAM tool and die designers. They're fantastic, because they understand how this thing works.

Reko's training program sought to organize its staff into functional training groups — injection mould, die and fixture designers and CAM programmers — using top designers and group leaders, each design group as an on-the-job teacher. We teach on the floor, and it works very well.

Just another comment. The thing about grade 10 kids is that we have a large number of people in our society, young people especially, who for one reason or another haven't been able to make it in an academic program, and a part of it may be because our schools don't focus on skilled trades as a method by which you become educated and as a method by which you sustain yourself.

Industry is willing and ready to take these young kids in and help them move up the ladder. If we say, "Look, we're not going to require a grade 10 certification," that's not necessarily a bad thing, because it lets people get on the bottom rung of the ladder and move up. In industry and in my own field, it's train, train, train, and it's a lot of fun. I think the idea of eliminating artificial barriers to young people who want to enter industry is a good thing. Industry has a responsibility to train them, and they have a responsibility to train themselves, but I think the two people can do it.

Let me just finish off with this. The other element of the program is that Reko has undertaken to train, on a six-month cycle, the first set of trainees received into basic training. It sounds like the army, and that's exactly what it is, because people are learning how to improve themselves and how to multiply their abilities. The company had anticipated that by 1996 it would have trained approximately 15 to 20 new CAD designers and CAM programmers. It has done that. It has gone forward.

I can say one thing: As a lawyer, my big job is to get out of the way. I have heard a lot of my clients, frankly, complain about bureaucratic regulations: "Let industry set the standards with the workers." That's a big reason why I

support this bill, because we've got to stand back and let the people know what needs to be done and we will see education happen throughout this province.

Let me return to my comments, if I may. With my own employees, I see it at work in the law program. We have training programs on Microsoft Word, group dynamics, computers. I've had a secretary for the last three years who has worked two days a week for me because she is working for her husband, who started a tool and die shop in Windsor. We use flex-time, we use all kinds of things. But when people are co-operating, as they naturally do, we don't need a lot of top-down, heavy bureaucratic regulations, and that's another reason why I support this bill. This young lady, who has four kids, her husband and a partner started a small tool and die shop, and they're going gangbusters. It's because of this ability to get out and start a business.

I go back to the idea that our schools are not getting the message out, not yet, that a skilled trade, I don't care what it is, is an opportunity for a fulfilling and rewarding career. We have to change these attitudes that you necessarily have to go to university. Sure, we need some university grads, but I think the strength of our country lies in good part in recognizing the skilled trades.

Our training systems must be open and flexible, and that's why I support the bill. I don't think the bill needs minimum requirements about wages and ratios of journeymen to apprentices. These things can be worked out on a case-by-case basis. The last thing we need is some bureaucrat in Toronto — and I think the government recognizes this — setting down some type of standard. We need flexibility. That's why I mentioned flexibility in my own workplace. We have to have site-specific solutions to these problems. If we're hampered by bureaucratic, province-wide regulations, it just doesn't help. It's so important that we focus on training. We can leave labour matters to other areas, such as labour laws and collective bargaining.

Interruption.

Mr Charette: I think the market will create a lot of good-paying, skilled jobs. Windsor has been a wonderful asset to this province. I compliment my friends listening behind me. I wish they would let me finish.

I also support the bill because it lets part-time workers into the system. It's so critical that we let people in. I use the example of people who are working part-time, maybe driving a cab or something. They want to get into industry and improve their standards. It's such a wonderful opportunity. I would encourage all of us in industry to recognize that if we let someone in, it doesn't mean someone else loses a job. This industry in Windsor is expanding so much. When you look at the size of our industry 10 years ago, it has multiplied so many times. People don't have to get kicked out of a job because someone else has one. It's that old socialist thinking that people have. They think it's a zero-sum world; if someone wins, that means someone has to lose. It's just not true.

Basically those are my comments. I'd be happy to take any questions you might have. Thanks for your patience and understanding.

0950

The Chair: Thank you for your presentation. That gives us a couple of minutes per caucus. This round starts with the government caucus.

Mr Jack Carroll (Chatham-Kent): Thank you, Mr Charette. In my area of Chatham-Kent, especially in the town of Wallaceburg, there's a tremendous shortage of skilled tradespeople. In the tool and die industry, obviously southwestern Ontario does a more than proportionate share of the tool and die work and the mould work and so on and is desperately short of skilled trades workers.

The purpose clause of Bill 55, the first clause, states, "The purposes of this act are to support and regulate the acquisition of occupational skills through workplace-based apprenticeship programs that lead to formal certification, and thereby to expand opportunities for Ontario workers and increase the competitiveness of Ontario businesses."

Do you have any idea, with that as the overall purpose of the act, stated very clearly in the opening paragraph of the act, why we seem to be having so much opposition? Is that not a worthwhile purpose for the workers of Ontario?

Mr Charette: It is. Frankly, I think this bill is just an automatic — and I was surprised by the number of people here opposing the bill; I really was. I guess, Jack, basically people want the status quo. They're afraid of change and they don't see the opportunities that lie there. There are opportunities there.

Interruption.

The Chair: I would ask you just to show respect. There will be many presentations this morning, and I think we should listen to the points of view being put forward.

Mr Charette: Just to finish off my thought, I think we have to go forward with change. I agree that this bill is right on the money. It's what we need. We have to do more training.

Mrs Papatello: Mr Charette, we were pleased to finally get committees back in Windsor, because we've had a bit of a dry spell over the last couple of years while the government refused to bring committees to Windsor. Thanks to some enormous effort, we're back in town.

Mr Charette: Nice to see you.

Mrs Papatello: Did you actually read the bill?

Mr Charette: Yes, I've been through it.

Mrs Papatello: I'm sorry, I don't mean to be glib, but you keep talking about how you need to make the changes to streamline, make things that will work on-site for companies, very individualistic. But all the bill does is confer more powers on the minister to make regulation change; it's not power to the company or power to the people, as you're purporting. All of the bill is about regulation change that gives power to the minister. This is about doing things in the backroom and having them just happen without anybody knowing. I'm surprised, given your previous comments, that you would support that kind

of centralization; every section of the bill is about giving power to the minister.

Mr Charette: Sandra, the only problem with your question is that I recognize that the attitude of this government is to keep its hands off and to free industry and workers. When these regulations come out, I am confident that they're going to be much less bureaucratic than anything we've seen in the past. I trust that will be done.

Mrs Pupatello: Have you seen any of the regulations?

Mr Charette: No, madam, I have not.

Mrs Pupatello: I wanted to comment too that you gave us a couple of examples of all these things that are happening that are so wonderful. At your own company, at Reko tool where you're a board member, those things are happening under the current framework, not the changed one. If all of that is so terrific, why are you purporting that this needs to be done?

Mr Charette: Because I still, and this is true, hear a lot of complaints from the men and women I work with in the tool industry that there's still too much bureaucratic regulation. There is still too much. They could do so much more.

Mrs Pupatello: On that note, I would say, why are you encouraging the government to bring forward more bureaucratic regulation via Bill 55?

Mr Charette: Your assumption is wrong.

Mr Lessard: We've been asking the government to table the regulations for a number of months now because this has "Trust me" written all over it. This government has a problem with trust right now and I think if they would table those regulations, it would do at least a little bit to try and restore the trust of some of the people who are here today.

I'm a lawyer as well and I want to ask you this question, lawyer to lawyer. You're talking about supportive skill sets. Would you support a system where lawyers were only trained to do wills or lawyers were only trained to do divorces and they could say that they're lawyers?

Mr Charette: I don't think that's the intent of the bill. Specialization is a reality.

Mr Lessard: That's exactly what it does.

Mr Charette: We have paralegals, we have specialists, we have a lot of people who have certain defined skill sets. There are vast areas of law that I don't work in. I work in a couple of narrow areas. It's the same thing in industry. We need to get people with one skill set and then we build, we keep on adding. People don't just take one training program and stop. It's lifelong, it's ongoing, so don't take a negative view of this thing.

Mr Lessard: You're talking about working out the details of training arrangements on a case-by-case basis. For those people who are protected by strong collective agreements and strong unions, they're going to make sure that they have those protections in their agreements, those artificial barriers that you're talking about that should be eliminated. But for a lot of people who don't have that support, who don't have strong collective bargaining agents, they're going to be out there on their own. What is a 16-year-old apprentice who hasn't even finished grade

10 supposed to do when he's negotiating with an employer as to his training program? What sort of equity and bargaining position is going to be there? Do you think he's going to need a lawyer to negotiate for him?

Mr Charette: No. He will not need that because he knows, like most people, that there are 25 other employers that are crying for people who want training.

Mr Lessard: Where are they?

Mr Charette: The biggest challenge now is that we have companies in Michigan that are raiding all our employees. They've got 3% or 4% unemployment over there. Believe me, they will do well. There is a competitive market out there and they will upgrade their skills. If they're not happy where they're at, there are plenty of opportunities, and their employers know that.

The Chair: Thank you very much for your presentation this morning. I appreciate your coming here.

Interruption.

The Chair: Excuse me. Just a note of caution. I would like to hear and I'm sure all members of the committee would like to hear the presentations. Of course, there will be differences. That's what the hearing in democracy is about. As a courtesy, we should listen. I'm not lecturing, but I would caution members of the committee. You know the rules, better than the others in attendance perhaps, and I will have to call a recess. But I do want to listen, all members do, to all of the input this morning. With that statement, I would like to move to the next —

Interruption.

The Chair: Sir, I would like to proceed with the business this morning.

1000

ONTARIO PROVINCIAL COUNCIL
INTERNATIONAL BROTHERHOOD OF
PAINTERS AND ALLIED TRADES,
LOCAL 1494

The Chair: With that, I call the Ontario Provincial Council of the International Brotherhood of Painters and Allied Trades, local 1494. Good morning, gentlemen. For the record, if you would introduce yourselves, you have 20 minutes to use as you wish.

Mr Kevin Elliott: Good morning. I would like to thank the committee for the opportunity to present a presentation on Bill 55. My name is Kevin Elliott. I am the business manager of the International Brotherhood of Painters and Allied Trades, local 1494, representing painters, glaziers and drywall tapers and their apprentices in Essex and Kent counties. I sit on the glazier/metal mechanic PAC for the province and I am a trustee of the Ontario Painter and Decorator Training Centre. That centre provides most of the apprenticeship training for painters and decorators and journeyman upgrading in the province through its centres in Markham, Thunder Bay and Windsor.

I am accompanied by John Maceroni, the administrator and training director of our training centre. Also in

attendance today are numerous members of local 1494, both journeypersons and apprentices. I intend to read a short statement and then would be pleased to answer any of your questions.

The government's Bill 55 proposes to repeal the current Trades Qualification and Apprenticeship Act and replace it with the new Apprenticeship and Certification Act, 1998. The change in the name is indicative of some of the problems with Bill 55, the main problem being that it seems to be shifting away from the true sense of what it means to be an apprentice.

Dictionary definitions of an apprentice all point out that an apprentice is a person learning a trade or craft under a skilled worker. The key words here are "trade" or "craft" and the current act clearly focuses on these words as they are reflected right in the title of the act, that being, the Trades Qualification and Apprenticeship Act. Bill 55, however, defines an apprentice as an individual who is to receive workplace-based training in an occupation or skill set. The word "trade" is not found in this definition. In fact, the word "trade" only appears once in Bill 55, as part of the definition of "occupation."

Bill 55 appears to be removing the age-old tradition of having tradespeople impart their knowledge and experience to apprentices to ensure that they properly learn all aspects of a trade. This not only includes learning the trade skills but also important elements such as health and safety considerations. By focusing on learning skill sets and moving away from trade qualification, Bill 55 risks flooding the construction marketplace with individuals who have limited skill set knowledge without fully appreciating all the facets of a particular trade; in short, Jacks and Jills of all trades and masters and mistresses of none.

Limited skill set knowledge means limited job prospects, inefficient and improper trade performance and increased potential for work-related injuries. It goes without saying that a worker with limited skill sets will not be able to properly complete an entire installation but will have to be replaced with another worker with different skill sets to complete what they have started. The result will be chaos.

Compulsory trade designation is the only way to ensure not only the health and safety of the workers but also the health and safety of consumers, the environment and society at large. Construction industry workers must often use complicated tools, pieces of machinery, electrical equipment and high-pressure systems. The knowledge to properly and safely use and apply these sophisticated systems is something which has been gained through years and years of experience by the stakeholders in the construction industry, that is, the trained individuals working in their respective construction trades. Training is something they have been doing for years and it should not be transferred to agencies which will focus on general and unspecified skill sets.

Such an approach will lead to individuals with limited skill sets advertising themselves as electricians or plumbers, for example. A consumer who hires such a worker

would unknowingly assume that such individuals are fully competent in all aspects of that trade and may risk the occurrence of property damage or serious injury to the worker or the consumer's family members. We in the province cannot afford to take such risks.

Apart from such risks, Bill 55 also risks destabilizing the construction industry as we know it. The construction industry in Ontario has evolved around the concept of the various construction trades. Contractors bid for work based on specific trades, not skill sets. Similarly, collective bargaining in construction is based on trades and not skill sets. Bill 55 proposes a radical departure from the trade model, which will have a destabilizing effect that is not in the best interests of builders, contractors, construction workers or the consumer.

Employee-employer relationship: Another aspect of Bill 55 which deserves comment is the fact that it proposes changes to the traditional employment relationship that has always existed between the apprentice and the employer. Bill 55 proposes to introduce a sponsor to the relationship. As such, there will be no employer-employee relationship, with the result that the provisions of the Industrial Standards Act may no longer apply. This act protects the basic work standards such as minimum wage and conditions of work. As such, apprentices may find themselves working for wages which are much lower than they have always received, or even no wages at all.

Not only is this extremely unfair for apprentices, it will undoubtedly discourage some individuals from pursuing a rewarding career in the construction industry. Further, it is suspected that one of the reasons for removing the traditional employer-employee relationship from the apprenticeship system is to open the apprenticeship system up to workfare recipients. The potential risks of forcing individuals to enter construction industry apprenticeship programs against their wishes should be apparent to all of us. The risks regarding health and safety issues alone should be obvious. Construction industry apprentices should be welcomed into a trade based on industry needs and the apprentice's own desire and drive to become a fully trained tradesperson.

Apprenticeship ratios and wage rates: Another important aspect of the apprenticeship system which Bill 55 does not address is the issue of apprenticeship ratios or, in other words, the ratio of apprentice to journeyperson.

In the province of Ontario, we have all become familiar with the problems that arise when classrooms are overcrowded with too many students, there being a high pupil-to-teacher ratio. The same problem arises in the construction industry: apprenticeship programs where often-times apprentices are trained to use highly sophisticated and potentially dangerous pieces of equipment. Ratios are clearly an issue of quality of training.

As such, there must be some minimum standard in the legislation to provide for an absolute ceiling on what apprentice-to-journeyperson ratios can exist for specified trades. Otherwise, the system risks allowing too many apprentices being assigned to a journeyperson, with a resulting decrease in the quality of the training.

The wage issue was touched on earlier; it is also very important. A guaranteed good wage rate formula and the prospect of a licence at the end of the apprenticeship are all strong incentives for our young people to enter into a rewarding career in the construction industry.

In conclusion, the International Brotherhood of Painters and Allied Trades, along with other construction industry stakeholders, truly understands the construction industry and how best to train apprentices. It is something we have been doing successfully for many, many years. In fact, the Premier's Council report of the late 1980s noted that Ontario's construction industry was a world leader in maintaining a highly skilled and mobile workforce that was able to keep pace with the demands of our economy. Premier Harris has on many occasions talked about the trained workforce in Ontario, which is second to none in the world.

When the Premier stated that he wanted to reform the apprenticeship system in Ontario, he quite properly asked the construction industry stakeholders, such as ourselves, for input. As this matter is very important to all of us, industry stakeholders spent a considerable amount of time, effort and expense to put forward our comments and concerns.

It is disheartening, to say the least, that this government has for the most part disregarded our comments and concerns, as evidenced by Bill 55. Many of the concerns which have been raised today regarding Bill 55 are concerns which are shared by the vast majority of industry stakeholders who have been involved since day one in apprenticeship training. We once again respectfully ask this government to listen to our concerns and to amend Bill 55 to reflect our concerns in order to keep Ontario's construction industry strong, healthy and able to meet the demands of the next millennium.

Thank you very much.

1010

The Chair: Thank you very much, Mr Elliott. With that, we have time left for questions from each of the caucuses. This one begins with the Liberal caucus.

Mr Caplan: Thank you very much, Mr Elliott, for your presentation. One of the really quirky things about Bill 55 is the stated intention to allow part-time, contract and self-employed people to be apprentices. Could you explain to me, because you're very knowledgeable, how a self-employed person would become an apprentice?

Mr Elliott: That's something we've all been grappling with.

Mr Caplan: That wasn't something you suggested, was it?

Mr Elliott: I don't believe we suggested anything of that nature, no.

Mr Caplan: We just can't figure that out.

Another question I have is, you talked a bit about consultation. We've heard the government members say there was a lot of consultation that went on, but it seems from your comments that you're saying, "We presented in good faith comments, suggestions, possible changes." You

haven't opposed reform but the government just didn't listen. Did I get the gist of your comments?

Mr Elliott: Basically. The PAC that I sat on and all the PACs across the province were consulted. I believe the chairs and co-chairs of the PACs went to the consultations that the government held. As a matter of fact, I believe John was sitting in on those consultations and he may be able to give you a little more insight into what types of things were discussed and what the outcome seems to have been.

Mr John Maceroni: Many consultations that I attended with the Ministry of Education and Training bureaucrats — they seemed to have had their own agenda when we attended these meetings — talk about, for example, skill sets. They wouldn't elaborate on other parts of the bill itself or the apprenticeship reform. As I said before, at a lot of the consultation that I attended, position papers were presented by different trades. We have copies of the position papers. No one has been listening to what we've presented in the position papers.

Mr Caplan: Last year there was a ministry document that was leaked, called *New Directions in Apprenticeship*. Have you ever had a chance to see that document?

Mr Maceroni: Yes, I have.

Mr Caplan: That document happened before all this consultation and before all this stuff happened.

Mr Maceroni: It happened in between.

Mr Caplan: In between, after the December 1996 round of consultations.

Mr Maceroni: Like I said, I think they had their own agenda to begin with. That's my firm belief. When we would go to these meetings we would ask certain questions. "No, this is where we're leading to. Not this way; that way." We had to listen to them. Many times a lot of the participants would just pick up and walk out of the consultation because they weren't listening.

Mr Lessard: This government likes to talk a lot about consultation, but yesterday we heard from Wayne Samuelson, the president of the Ontario Federation of Labour, that even though the government talks about consultation, the leaked document that has been referred to is reflected almost completely in Bill 55. So whatever input they were getting the government completely ignored when they put Bill 55 together. We're hopeful that through this committee process the government will listen to what it is that you have to say.

You made quite a number of comments with respect to the effect that this is going to have on wages, and I agree. I think this is going to drive wages down. But I want to ask the parliamentary assistant a question because we've heard this on a couple of occasions now, and that is the impact on the employer-employee relationship.

We know that the wage ratios are going to be eliminated through Bill 55 and some people are concerned that might drive wages down to minimum wage under the Employment Standards Act. But what you've indicated in your brief is that maybe those protections that are even in the Employment Standards Act won't be there because it doesn't seem as though this is an employee-employer

relationship covered by that act. I'd like to know from the parliamentary assistant whether those protections in the Employment Standards Act such as minimum wage rates, holiday pay, vacation pay and things like that are going to cover apprentices under Bill 55.

Mr Smith: My understanding is, yes, they will be covered.

Mr Lessard: Can you refer me to the section in the legislation that deals with that?

Mr Smith: If you give me a moment, I will provide you with that section. As you can appreciate, that's my understanding. Those questions have been raised by government caucus members as well. My understanding is, yes, the coverage is there, but we'll provide specific clarification to you.

Mrs Pupatello: A question for the parliamentary assistant while you're —

The Chair: Ms Pupatello, actually Mr Lessard has the floor and your caucus has had its opportunity. I will give you one question after caucuses have completed their cycle. The government caucus is next.

Mr Gilchrist: Good morning, Kevin. Thank you for your presentation, John. Good to see you again. One of the things that we're wrestling with here — and I appreciate that the way that bills are processed and come into force is certainly in many ways bizarre and Byzantine. We just heard Mr Lessard create a perception in this room that somehow there's a problem because something isn't in the act. It also is not in the act that they are exempt.

There are goals stated in the preamble. For the purposes of this discussion at least, let's operate on the assumption that the regulations that come forward will reflect the goals and the ambitions that I hope we share to increase the access for apprentices across the province. Would you not agree with me that it would be awfully presumptuous for the government to finish everything right down to the last detail, including all of the regulations, prior to hearing from people across the province? Would you not agree that this is precisely what we want to hear before we draft those final details, to know what you think is the final model?

Mr Elliott: I would like to think that, but the problem I have is that I've seen some of the legislation come down from this government and it appears that, even on the rare occasion when there is consultation, nothing that is said to this government makes it to that legislation.

Mr Gilchrist: Kevin, I can tell you that, in the bills that I've sat on over the last three years, invariably there are amendments. I would say there has been an average of over a hundred amendments to any significant bill. I remember the Tenant Protection Act. Literally half of the amendments that were made afterwards were ones proposed by tenants or tenant groups and half were made by landlords. I accept that you and I are never going to get everything we want in any piece of legislation, and I include those of us in the caucus. All of us will have suggestions that don't make it into the final copy. But as a basic principle, should we not be listening to you before we draft those final details?

Mr Elliott: Definitely.

Mr Gilchrist: I'm quite sympathetic to the idea, and we'll certainly be making representations when we get back to Toronto based on the specific things we hear. If there's a way that we can come up with some kind of coincidental timing to allow people that final review, you can take it as a given that we're going to make those representations. But in the meantime, if you've got specific ways to address the concerns within the framework of the bill via the regulations — for example, a regulation may very well say you can't become a plumber until you meet all the skill sets — please take the opportunity to —

The Chair: Thank you very much, Mr Gilchrist. Ms Pupatello had one quick question to the parliamentary assistant. Then I'll ask the parliamentary assistant to reply to Mr Lessard's question at the same time.

Mrs Pupatello: In discovering what's going to be covered in terms of employment standards, because the bill also allows, for example, the use of workfare recipients to be part of the program, could you in your answer determine whether all types of individuals, co-op students in high school, workfare recipients etc are going to be subject to the same?

Mr Smith: Certainly. In response to Mr Lessard's question, actually the protections that he's looking for will be captured under the Occupational Health and Safety Act as well as the Employment Standards Act. They're still covered under the definition of employee there. It includes, as well, should that employee of record be a sponsor, that those protections are covered under those two pieces of legislation. Maybe for clarification purposes you can revisit your question so I understand exactly what you're asking.

1020

Mrs Pupatello: Yes. To the parliamentary assistant: Because you've changed the name from employer to sponsor in the bill, it's giving me shades of the workfare bill. When you changed the name, it seemed just a mundane, small item, yet its implication in terms of what subject those are to other legislation in Ontario I've got some concerns here. When I thought of why you would have changed the name from employer to sponsor, it occurred to me that then allows groups like a municipality or those 50 that are going to be designated as delivery agents for social services to have the opportunity to put these individuals, regardless of background, into this kind of program because you don't need the supervisory. You've eliminated that; you've changed that significantly via this bill. I'm really concerned that the answer to Lessard's question is that it's going to allow municipalities to be the sponsors in any —

The Chair: I think your question has been made. Mr Smith, would you like to respond?

Mr Smith: The motivation for changing the word from employer to sponsor — and I wish I'd had the opportunity to further question Mr Elliott about this because the issue was raised yesterday in Toronto. Currently we have about 4,000 apprentices who are under contract with local

apprenticeship committees, which are employers of record, not actual employers. The changing of the definition was designed to recognize a practice that's very common in the construction sector as well and, for that matter, to broaden opportunities, for example, for women's groups, native organizations, those organizations that we're involved with at the federal government level for training purposes, so that they would fall under that umbrella as well and broaden training opportunities for people in the province.

That was the motivation. I would certainly, Mr Elliott, like to follow up with you in the next couple of days to get more clarification on your opinion with respect to sponsors so that I fully understand that the motive that was intended in this bill is being articulated.

The Chair: Thank you, Mr Smith. We've let this run on a little long because I think there were some important questions or feedback. Thank you very much for your presentation here this morning.

WINDSOR AND DISTRICT LABOUR COUNCIL

The Chair: I now call on the Windsor and District Labour Council to come forward. Please introduce yourselves for the members of the committee and for the Hansard record.

Mr Gary Parent: Thank you very much. I'm Gary Parent, president of the Windsor and District Labour Council. To my left is Bert Desjardins, executive board member of the Windsor and District Labour Council.

I'd like to first of all say to Mr Carroll, welcome to our community. The last time I appeared before a committee you welcomed me so I think it's only appropriate that I welcome you to Windsor. Also, Mr Gilchrist, the last time you and I met was debating bad policies coming out of your government. Things haven't changed. We're still here today.

Interjection.

Mr Parent: Well, we disagreed at that particular time.

I'd also like to say to the government members: Please, please, Mr Charette has served enough penance that he should go straight to heaven. Surely, on behalf of your government, appoint him to a job because he is doing such a good job at every hearing touting your line. He deserves some form of reward. It's unbelievable. Tell him from now on when he gets faxes from the ministry of trade or ministry of training that he take the top off saying that it comes from his office because it is very visible when you look at his papers that were before him.

I'd like to start my presentation. The Windsor and District Labour Council represents over 42,000 members and their families in Windsor and Essex county. All the affiliated members are made up of public sector workers, industrial workers, food processing workers, building trades workers, service sector workers, hospital workers, fish workers, both boat and plant workers from the fish workers, transit workers, teachers, education workers — we still have them in the province of Ontario — as well as

casino workers and, more importantly for this discussion, apprentices.

We would first like to thank the opposition parties that are here for the continued pressure they put on your government so that these hearings are taking place, as limited as they are, four days in four cities, but we remain hopeful that not only will we get an opportunity to present our views but we will actually be heard. I say that with some scepticism because, as the speaker before me indicated, it seems to us that a lot of the discussion that happens at these hearings falls on deaf ears, and I hope that this committee really and truly takes to heart what is being said before it.

I want you to look in the audience behind me and I want you to look at the young people, particularly you government members, because they are the ones whose futures this bill, in our opinion, is destroying. I would ask, look at their faces, look at what they see before them as destroying their opportunities in the province of Ontario, and I would hope that you would listen to what's being said before you. To date that has not happened with Bill 55. There had been no previous discussions, particularly with us in the labour movement.

The apprenticeship system provides future skills for industry and the economy and supports the province to better compete in the global economy by ensuring that there is an adequate supply of skilled workers available. Government reports continue to identify shortages for a long list of skills that are needed in the trades and technical occupations and, we would like to point out here in Windsor, in the tool and die trades as well.

The current legislation before us today has been drafted by the government to increase the number of apprentices in Ontario and, in their words, provide additional opportunities for youth, but it is our view that you don't get good quality apprentices by reducing the quality of their training. You don't expand opportunities for young apprentices by reducing their wages and by taking the "skill" out of skilled trades.

Bill 55 proposes to completely deregulate the apprenticeship system in Ontario, which means all of the regulatory provisions of the old act are removed which included ratios, wage rates, entry levels and duration of the contract. This new bill is designed to shift the focus from apprenticeship as an employment relationship to apprenticeship as an education and training relationship.

The government may say they are proposing these changes in the name of flexibility — Jeez, I think I heard that from Mr Charette this morning — for industry and removing barriers for young people, but we say it is more about driving down wages and lowering standards, which is shameful on this government.

We agree there have to be more opportunities for our youth, but what we want is better opportunities, like what is happening within the CAW in General Motors and Chrysler. At GM they have a two-to-one ratio, which means for every two apprentices coming from the existing workforce, one can come from the outside. At Chrysler here in Windsor, they launched a pilot co-op apprentice-

ship program with St Clair College. The program provides 25 students with a chance to not only learn at school but also learn from journeypersons, skilled trades personnel who will show them how to safely and efficiently operate equipment and machinery, which is absolutely opposite to what is being proposed in this legislation.

1030

Bill 55 removes all references to the ratio of journeypersons to apprentices, which will dilute the quality of the training apprentices receive, which results in lower skill levels in our workforce. Can you imagine someone doing the electrical work in your own home who has not had proper skills training on electrical? My God, it's shameful that this government would entertain such a thing. This is what we see in Bill 55. It leaves our province with a semi-qualified workforce working on our homes and public buildings. At a time when I hear continually out of this government that we have to be globally competitive, with a semi-skilled workforce, I say that is the wrong direction.

The elimination of wage requirements, along with the downloading of the costs of training to individuals, will act as a deterrent to potential new apprentices contemplating entering the trades. I heard Mr Smith this morning indicate that that's not part of the intent of Bill 55, if I heard him correctly. But again, you're asking us to trust you and, as has been laid out here before, there's not much trust we have left, I daresay and I'm sad to say, with this government today.

Imposing tuition will have a negative impact on the entire system as we have to remember that there are in some trades workers where the average age is 26, who are not kids living at home but are people with mortgages to pay and families to support.

Also, the introduction of user fees in the form of administration fees, which I haven't heard addressed here today, will act as a further disincentive.

Leaving it up to individual employers to establish standards — my God, it's like putting the fox in charge of the hen coop — will lead, in our opinion, to chaos in the workplace and in the marketplace and will erode national standards.

Bill 55 also eliminates the requirement of two-year minimum contracts that can easily lead to a situation where apprentices will be pushed through the system too quickly. The crux of a successful apprenticeship training program is not just one set of skills, but a complete education in all aspects of a trade. The effect of this bill will be a flooded market of low-skilled workers with limited long-term prospects.

In summary, let us say that Bill 55 is tremendously flawed, as are numerous other pieces of legislation that this government has pushed through against the working people of this province.

We have to ask, why wasn't labour consulted in the drafting of this legislation? You heard the building trades this morning allude to why were they not consulted. Why did they not listen to the recommendations of previous joint discussion papers of all sectors when putting this piece of legislation forward?

We urge this committee to withdraw this legislation and establish a true apprenticeship review process that will include all stakeholders and not just a few. Thank you very much.

The Chair: Thank you for your presentation. We have a little over two minutes per caucus for questions, and I'll start with the NDP caucus.

Mr Lessard: Thank you very much, Gary, for a great presentation, as usual. I'm glad that you were able to make that presentation here in Windsor.

The government's reforms in Bill 55 are their attempt to respond to what we all perceive as a crisis in youth unemployment. We see that here in our community as well as other communities. We remember the Common Sense Revolution, the promise of 725,000 jobs, how much of a failure that has been, especially for young people. I want to ask you whether Bill 55, in your opinion, really addresses the issue of youth unemployment and whether the deregulation of the labour market is going to create more jobs for skilled tradespeople and encourage young people to become apprentices.

Mr Parent: Obviously, we say no. We look at this piece of legislation as another attempt by this government to force a race to the bottom on the economic scale. I say again, look at the people behind me and the young people who are here today. Most of them probably are apprentices in the current apprenticeship program because of the good wages that are part and parcel of the whole question of a journeyperson once they graduate. But to get there, they also have to be paid a decent wage.

What this bill does is strip away that right for them to maintain a decent standard of living even if they're living with their parents or, more importantly, if they're trying to raise a family. This does not do that. It does not give the youth, in our opinion, a warm, fuzzy feeling of wanting to get into a trade apprenticeship, knowing that it's so diluted, and the other things, the wages and everything else that's around it. It just does not make it more attractive for them. In fact, it probably will turn them away from trying to be a part of the trade apprenticeship.

The Chair: For the government caucus, Mr Smith.

Mr Smith: I just want to say at the outset, thank you for your presentation, and to indicate to you, as I've done to the previous speakers, that in fact nowhere in this bill is there any provision for the introduction of tuition fees. I want to make that very clear.

Interruption.

Mr Smith: Yes, the issue of tuition fees is there, but the minister has been very clear that until there is a labour mobility agreement established with the federal Liberal government, no tuition fees will be considered or introduced.

Mr Parent: But you're still not saying that there will be none. You're saying that you want to have an agreement first before you'll entertain even looking at whether there will be or not. That disturbs me and doesn't leave me with a warm, fuzzy feeling; I'm sorry.

Mr Smith: I'm sorry that you're disturbed by that. I appreciate your perspective, but I want to make it very

clear. I believe, if I'm not misrepresenting you, you suggested tuition fees were contained in this bill, and they are not. That's the point I wish to make.

As I go over a lot of material — and I'm not asking you this to be provocative but just to get your feedback — my recollection is that some seven years ago the tool and die maker industry committee recommended that wage rates be removed from regulation, and in fact that was done, and my understanding is that wages have increased for tool and die makers. So as I hear the criticisms that are being presented about the removal of wages, my understanding is that the tool and die industry itself has experienced some success with the removal of that from regulation. Am I incorrect in my understanding of that?

Mr Parent: I can only tell you the experience that we have here in Windsor. I hear from employers all the time the whole question, quite honestly, of the Big Three, if I can use that terminology, stealing their workers after they put them through an apprenticeship program. I guess the main reason for that is more money. I don't think what you're outlining has really been the example here in Windsor.

The Chair: For the Liberal caucus, Mr Duncan.

Mr Dwight Duncan (Windsor-Walkerville): Gary, in your involvement with the CAW, has any other jurisdiction in Canada moved in this direction, other than perhaps Alberta? What is happening in other parts of the country in this whole area?

Mr Parent: I haven't actually heard of any other jurisdiction, and I don't even know if Alberta is included; I really don't. But I do know that this is totally a wrong direction, for any government to take away a piece of legislation that affords the young people of any province an opportunity to better themselves and that builds a skilled workforce for a province.

This province has been historically known as the industrial heartland of this country, and of the world, really, as far as I'm concerned. This piece of legislation, in one swipe, will wipe that competitive notion right out of the whole question of us being on the cutting edge of advancement, particularly in new technology. For the life of me, I do not understand this government, which prides itself in saying they want to be on the cutting edge of new technology and that global competitiveness is something they strive for, at the same time taking the skilled workforce in Ontario and eliminating the skills that go into the skilled workforce. I just do not understand this government for doing this.

1040

Mr Duncan: You referenced the race to the bottom. In light of the other legislative initiatives you've spoken about, do see this as another step in the direction towards right-to-work in Ontario? What does that mean for these young people in the audience who have come to accept that this province has, up until the last three or four years, had fairly good labour standards?

Mr Parent: It provides them with little hope for the future. It will provide them with a race to the bottom

where the lowest common denominator in wages will be the topic of the day.

We look in Windsor, and if it were not for the Big Three, if it were not for the contracts in the building trades that provided security and good-paying jobs for the families and the workers in this community, we would not be striving as well as we are today. It's only good standards of contract negotiation that allows it. It's good apprenticeship programs; it's good contracting as far as getting wages up to the level that they are in this community. That's what drives this economy. It's not low wages that drive an economy. You can have all the people in this province working at \$10 an hour and you're not going to have the type of economy that's built on good wages being that driving force.

The Chair: Thank you, Mr Parent, for your presentation here this morning.

BUILD-A-MOLD LTD

CANADIAN TOOLING

MANUFACTURERS' ASSOCIATION

The Chair: With that, I call the next presenters, Build-A-Mold Ltd.

Good morning, gentlemen. I would ask if you could introduce yourselves for the members of the committee as well as for the record. You have 20 minutes to use as you wish.

Mr Lee Myers: First of all, I'm Lee Myers. I'm not only representing Build-A-Mold Ltd but I'm also representing the provincial advisory committee in the CTMA, which is the Canadian Tooling Manufacturers' Association.

Mr Kurt Moser: My name is Kurt Moser. I'm semi-retired. I'm a toolmaker by trade, or a mouldmaker. I'm a past chair of the provincial curriculum committee for the precision machining trades. I retired from the college system four years ago and have been active in the mould industry since then.

Mr Myers: I'm not going to try to follow my good friend Gary Parent with some of the verbiage he used because Gary's pretty well informed on what's taking place within the city limits. I'm going to speak from the heart rather than anything else and not refer to the bill too much, because quite frankly I don't care too much for the bill. I'm going to speak on behalf of the young people we represent, and I say "we" because people like myself and Kurt and other people in the community have really taken an interest in the young people and make sure they have had appropriate training available to them.

If you look at the PAC and if you go back through the OTAB structure and all the various structures we've come through, we've stumbled, we've got up, we've walked, we've stumbled again, we've got up and we've tried to make some good of what has taken place. The end result was that we really didn't get a fair shake at what was happening for the young people that we try to represent.

As I said a minute ago, I represent the precision metal-cutting trades and I'm referring to the tool and die business and the mould business and general machinists.

When we look at watering down the education levels, I have a difficult time. On Sunday evening of this week Kurt and I had the pleasure of walking through Build-A-Mold Ltd and seeing technology at its truest and its finest. I recommend to anybody who is sitting on this panel that if you ever have the chance to walk through and see what technology is all about, then you should automatically go to Build-A-Mold and see what it is.

I don't know how you would ever expect to have a young person come through any kind of education program at all and not have the wisdom and the knowledge to walk into that plant and stand there and profess that at the end of four years, or whatever the case may be, there would be a tradesperson evolve from that young person going through. It would be totally impossible. If you look at grade 12, it is a very minimal level. When you look at the technology that's there — I've seen things where I looked at Kurt and said I would totally disbelieve it if someone had told me what I'd see. The processes that are being used today, the means and methods that are being used today, you must have a vast knowledge about what's going on.

If you look at what has taken place in the industry over the years, we've realized a good income in the metal trades. We've realized a decent wage and that was because a lot of people went to the plate and said: "We need it. We expect it. We demand it." We did that because of the position in the city, especially the Windsor area and the surrounding territory. The mould industry is centred in the city of Windsor, in this area. If the technology were to be moved out of this city, it's fair to say this city would collapse in manufacturing in a lot of ways.

For anybody who has taken an interest to look at what Windsor has to offer young people — I don't like to use the community college too much, because I have never been a staunch advocate of the community colleges. Kurt well knows we've got a lot of differences of opinion. I'm always on the fact that you need to train people on the floor; you need to train them properly. I'm probably from the old school, where you went into the shop, you went to night school, you took your lumps, you worked for peanuts and you worked your way up. Fortunately, today our young people don't have to do that. We have a good income system set up; we have a good backup system set up. What bothers me more than anything is that we're about to destroy it. Shame on us.

Mr Moser: As an educator in the college system at the time, I was part of the team that wrote the standards for the three precision metal trades: tool and dye, mould-making and general machinist. It was something we were all proud of, and for the first time in this province it was clearly spelled out what a toolmaker would have to know and what kind of education he would have to go through. I'm very sad to see that it now all seems to be thrown to the wind. The province has paid thousands of dollars to have that material established. I might add, I've had calls

from peers or counterparts in the US who were absolutely astounded that Ontario had this kind of material. I'm very sad to see it go. We must maintain some standards or criteria by which we can measure the success and the performance of these people.

I'd like to express a feeling that's particular in the mould industry about Bill 55. The feeling is that if you download the cost of apprenticeship, you should also download the authority to govern it to some vehicle or some agency like the PAC or heads of apprentice training, whoever it may be, to ensure that there's a continuum of the standards that we have come to accept. I can foresee horrific proliferation where people can strictly job-specifically train a skilled tradesperson and say, "I can do it in 40 weeks, when it takes someone else quite a bit longer." The agreed-to standard at the present time was 8,000 hours for a skilled tradesperson. I would like to see that some of that is preserved. I can't possibly see that you can waive the academic entry level from even grade 10, or go down further. When I go through the shop — I went through Build-A-Mold Sunday night — I can't understand how a person with less than grade 12 could possibly get into that particular skill.

The industry feels that at the present time, the way Bill 55 is written, there is no framework that guarantees that the voice of industry will be heard. The specific request of the mould-making industry is that they would like to have some framework by which the voice of industry will be heard and that it gets heard where it counts. Thank you.

1050

The Acting Chair (Mr Jack Carroll): Thank you, gentlemen. We have about four minutes per caucus for questions, beginning with the government.

Mr Smith: I'll lead off, Mr Chair. I want to come back to this issue of the grade 10, because admittedly you have experience from your own observations that the individuals apprenticed today have a greater educational level than grade 10. You suggest that in your presentation.

When the ministry undertook its review or survey of apprentices, we found that only about 6% of apprentices today had less than a grade 12 education. That begs the question — and I realize the position you've advanced; it's consistent with others on this issue. Is it truly relevant, the grade 10, when we already know that the educational levels our apprentices are attaining far exceed that; their skill levels are far in excess of what we might expect at a grade 10 level?

In that context, do you not think it's appropriate to recognize what is current today, allow that to happen through the provincial advisory committee process? If there's variation to that, let that committee make that determination, but let's recognize that we have here one of the highest-skilled trade forces in this country, and in fact a lot of them do have a grade 12 education.

Mr Myers: But we're about to lose it. That's what we're afraid of.

Mr Smith: Could you just elaborate on why that fear exists when in fact we already know that 6% or less do not have grade 12?

Mr Moser: Coming from the college background — I've taught college and I've been an administrator — I know what comes in the door isn't what it's supposed to be in the first place, or at least it hasn't been. If we lower the educational requirements even more, I'm afraid. From what I see happening in industry —

Mr Smith: I'm not talking, sir, about lowering; I'm talking about recognizing —

Mr Moser: Accepting grade 10? I don't know — with some reservations.

Mr Froese: Thank you for your presentation. I really appreciate the spirit in which you made the presentation. We have the same concerns that you do on the standards, on the skills required for each trade, so we're talking the same language on what our concerns are. None of that is being changed.

Under the PACs, as you well know better than I because you've been involved in it, those standards and those skills have been set already and they have been advised to the Minister of Education and Training under former governments. That will continue to be. I'm a little puzzled why we're hearing that — we've said continuously on this bill that those things aren't being changed. It's the industry that should determine, not government, and they should make recommendations to the minister and, as in the past, the minister certifies the programs. That will still stay there. We've always said it, the minister has said it: It's not government that makes those decisions; it's the industry in conjunction with the employers and employees.

The same with wages. Groups here this morning that represent their workers have done a fantastic job, and they should be proud of how they have developed wage contracts. That will continue to be there. I'm a little puzzled why the workplace, the negotiation on all of these issues — why there is concern when such a good job has been done already.

Mr Myers: Can I respond? Just in response, in all fairness, I've sat as the chair of the PAC for the precision metal trades on and off for the last 10 or 11 years. I've met with ministers, I've met with various government groups, you name it, and I always got that old fuzzy feeling that Gary was talking about when I was leaving rather than coming. At the end of the day when we went to make a presentation, you at least had some good feelings going in that you had accomplished something. Well, I'll tell you what I accomplished in the years that I've sat there. You can stick it in that glass: absolutely nothing. That's what I came away with, and that's what bothers me today. When I came and was asked to make this presentation on behalf of the tool manufacturers, somewhere down the line when you make a presentation to a minister, you're supposed to be the minister's voice and concern; you're supposed to be adviser to the minister from a PAC. The unfortunate part of it is that we keep advising and no one listens and we keep stumbling along the same avenue day after day. Somewhere, someone has to stop and say: "Wait a minute. This is really what we need to look at here."

Mr Caplan: The government member tried to assure you that certain things would happen. I would say to everybody here, but particularly to the government members: If that is true, why is it not in this bill? Why is it left to, "Trust us, we will make it OK"?

We will be proposing an amendment to this piece of legislation which will give industry-labour committees the ability to enforce standards that are appropriate to their particular industry, be it construction, service, industrial or motor; it doesn't matter. I take it that you would be supportive and would urge all members of this committee to support that kind of amendment. Yes?

Mr Myers: I would think so.

Mrs Pupatello: Thank you very much for coming today. I think there might have been some idea that because the name on the slot here is Build-A-Mold Ltd, as a company in business, the government has done this for you. They've brought in Bill 55; they're doing it all for you. I'm pleased to see that you're one of the first representatives of a company that is speaking out. The government to date has said that they have done this for the industry, and you are the industry saying that this is not what the industry requires.

Mr Myers: In all fairness, Sandra, you can't look at the industry today and see the technology that's on the floor. When you look at spending \$1 million for a piece of equipment, you have to have somebody who's trained to handle \$1 million worth of equipment. You can't go back to where we used to be 30 years ago when you would take an individual off the street, put him on a job and give him a little bit of instruction and training and he could do the job. That doesn't happen today. It takes years; we say four years, 8,000 hours. I've been a tradesman all my life. I'm still learning today what the job is about.

Mrs Pupatello: Because of the shortages that we have in some areas — you're a mouldmaker by trade, you said at the beginning. There's a national red seal program —

Mr Myers: Which I participated in.

Mrs Pupatello: All of the provinces have come to an agreement that they have a set standard and all the apprenticeship programs in each province will meet that standard and then be part of the national red seal program. For example, you know that if you're trained in BC or Halifax, you come here and you've got the appropriate standard to work in the industry here. There is a concern — I don't know if you've heard of it but maybe I can ask you — that if this bill passes as it is, will it qualify Ontario to still be part of the national red seal program?

Mr Myers: I'm afraid not.

Mr Moser: I thought it would lose it.

Mrs Pupatello: For an industry that is looking for employees, when they go searching, in effect, we are now allowing Ontario and its citizens, who are being trained under Bill 55 with this in place, not to be part of or have access to saying: "I'm part of the national red seal program. I have that national standard of training."

I would have thought that this bill should have been vetted, if you will, by some national standards board that says that if you implement this, you're going to meet all

the qualifications that every other province is meeting. It's frightening to think that we're prepared to pass a bill with regulations and they haven't told us what they are, they haven't tabled them, and there are no suggested amendments at this point by the government, and we well may not qualify for this national red seal program.

Mr Myers: Can I just throw something in for information? When the red seal program was available, when we were working on the red seal program, there was a lot of controversy over why we needed a red seal program in the tooling industry. Luckily, I was there to express the position of the tooling industry and why we needed it. When I first got involved we looked at the community colleges, and I asked the community colleges at the time, "If you have a program that's available to train young people in a specific trade, where would that trade fit in a different city or a different location, should someone move or go somewhere else?" They told me, "No problem, Lee, you can move; you can do whatever you want." That was a farce, because you could never move from Windsor to any other city or province and get into an existing program. There was no coordination. We thought at the time that the red seal program would do something to coordinate some of those interests. It did to a little bit of an edge, but it stopped short of where we thought it should go.

1100

I'm still saying today, "Where are we going to get a standard for the industry?" I'm selfish in talking for the metal trades; that's why I'm here representing the metal trades. I think we have to say as adults, as a government and as a body to young people out there, "We not only owe you, we owe us, because if we lose the research and development, we're gone." That's where it comes from: from the training, from the red seal programs, from all the criteria that are there prior to. That's what we need to enforce.

Mr Lessard: I take it from what you're suggesting that there needs to be more standardization of training opportunities and that Bill 55 really fragments those skill levels so that somebody wouldn't be able to go from one jurisdiction to another. As Gary Parent said, "This is really an attempt to flood the marketplace with a whole bunch of half-trained, semi-skilled sorts of people."

I've had an opportunity to go through Build-A-Mold, and what they do there is impressive. It's indicative of what a lot of moulding shops and tool and die shops do in the city of Windsor. I think that's the economic future of our community: ensuring that we have skilled people who are able to go into those types of businesses. I would like to ask you whether you think that Bill 55 is going to address that skills shortage so that we have those people to move into those jobs in the future, because that's what the government is saying. They're saying specifically, "There are shortages in the tool and die and mould-making businesses and Bill 55 is the mechanism that is going to address those shortages by providing more flexibility." That's how they're selling this bill.

Mr Myers: I don't want to keep talking, Wayne, but you know that if I had 1,000 opportunities for young people to get jobs, I'd have 5,000 people lined up for them. If I had 10 people looking for a job, I'd have 100 people lined up. What we have to do is make available jobs for the young people we have out there. We've got young people coming out of school and I've had an opportunity to address them. You've never talked to so many young people who are so down on what's happening around them in their lives that they have nowhere to go when they graduate from high school.

There's a misconception of what's going to happen to them and where they're going to go. Are they going to be on welfare? Are they going to end up being in a job? The problem is that they don't even understand what a skilled trades program is until you go in and explain it to them. We're going to need to explain a lot of things to our young people. But better than that, we need to explain a lot of things to our adults in this community. They need to understand what it's all about. As I said a minute ago, if we lose the research and development, we're in trouble.

Mr Moser: The Windsor Star, Wayne, carries every Saturday, I'm sure you're aware, two pages of job ads for the mould or tool industry, but you're not going to fill those jobs with semi-skilled people. Those are high-tech jobs. Those are the jobs that keep this economy going. There are some 200 shops in the greater Windsor area doing anywhere from \$10 million to \$150 million worth of business every year. That's not peanuts.

Mr Lessard: You don't see Bill 55 addressing those needs?

Mr Moser: No, not at all.

Mr Myers: Absolutely not.

The Acting Chair: Thank you, gentlemen. We appreciate your presentation this morning.

WINDSOR-ESSEX SKILLS TRAINING ADVISORY COMMITTEE

The Chair: Our next presenter is Lyle Browning, from the Windsor-Essex Skills Training Advisory Committee. Good morning, Mr Browning, welcome to our committee. The floor is yours, sir.

Mr Lyle Browning: It's a pleasure for me to be here this morning, although I'm not the person who was originally scheduled to represent WESTAC. I'll start by saying that I'm a life member of the Society of Manufacturing Engineers and a member of the Canadian Tooling Manufacturers' Association.

I started with a company in Windsor in 1943, the SKD Tool Co, which later located in Amherstburg. I have for the past 55 years been employed by or the owner of an industry related to the tool and die and precision machining industry. Throughout those years, and even today, I have been very interested in apprenticeship training. With our small industry today, we are still employing two or three students in the co-operative student training programs. I perhaps represent the large number of employers employing less than 25 persons.

Mr Albert Laroche, who is the president of WESTAC, could not be here due to pressing business in Toronto today.

I should first like to give my personal observations, which may be a minority opinion, but I'm kind of familiar with being in a minority position, so I don't think that's going to bother me. I asked Gary Parent to leave some of his supporters here to cheer me on but I don't know whether he did. I might say, with due respect, I have worked with the two previous speakers over the years and know them very well. Some of my opinions are perhaps a little bit diverse from theirs.

I certainly wish there were a situation available where one size would fit all. I feel that in relationship to apprenticeship training in the tool and die industry, it's far removed from what might be the situation in the construction or other trades industries, so I'm only going to speak to the industry as I know it and have been involved in it.

I would like to, since I represent WESTAC, give you a brief background of WESTAC. Although some of my remarks pertaining to it may be marginal in this regard, I think they are pertinent to the group who have assembled here this morning.

WESTAC was organized to represent the local concerns of industry, business and labour for skilled training in all areas. This not only included tool and die but took in the requirements for the restaurant industry or the pipe-fitting industry or what have you. As a group of volunteers, we organized to set up a method by which we could improve the situation with regard to training practices in our local area. We were funded by the province and the federal government. The province's share covered the administration and office personnel and the federal unemployment insurance fund supported direct purchases of training programs.

Prior to the WESTAC organization, the situation was this in some of the training sections which were government-funded. They started out with a class for 25 people. By the time that class finished after 50 weeks, they were down to nine persons. Of those nine persons in our industry, perhaps four were employed by the industry. This certainly was not a situation that industry could accept. Under WESTAC, and I happened to head the division concerned with precision machining, we tried to reverse that situation and we did. We set out criteria to do this.

First of all, we selected members of the small tool manufacturing industry to sit as a committee. We developed a program that said, "We have 25 seats available in a class for training." We were prepared to interview the people who would be entering those classes. We advertised. We received we'll say 100 applications to be part of that 25. Out of those 100 people we selected 25, using as a minimum standard requirement at least a good grade 12 education, and I say that with tongue in cheek because I really don't know what a grade 12 education is, frankly. But we stressed the emphasis on mathematics and

English. We would not accept anybody with less than those qualifications.

With that sort of sorting, we went back to St Clair College and the division they had available for accepting this type of program — is it IRC out here? — and confronted them with what we thought were the problems. Some of the criticisms have been that they were not staffed with teachers who were qualified to teach the subjects that we required. We investigated that. We had quite a problem with St Clair in that regard, but finally they decided to come through or they wouldn't have received funding for training. We received those proposals from the individual trainers and we found that they were adequate in every way, and we were able to say to the students then who were coming aboard, "This is the background of the teachers you are going to have," which they were satisfied with.

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The result was that we ran, in the last four years of our existence, four sets of classes of 25 people. Of those 100 people who started with the class, 90% finished. Of the 90% who finished, 100% of them went into industry. This was at a time when industry was in recession in this area, but the quality of those students was such that not one company they trained with or went to for training was able to say, "We don't have a job available for them." We had even companies like General Motors, who had heard of the success of our program, contacting WESTAC and saying, "We want some of those students," and had to tell General Motors, "We're sorry, we can't accommodate you."

For some reason or other, the government decided to dismiss local training boards and we went out of business. We went out of business as an institution, but there are still a number of us who are involved monthly to discuss the situation. We look forward to some government recognizing this fact and trying to find a solution that doesn't say that all the brains are going to be handed down from Toronto, that locally we can handle situations, knowing the local needs of industry and business; that if it's turned over the local industries and business to develop solutions, we will find them as required.

I want to say that I support the idea of wages for apprentices being left to the employers. Factory size and area locations are great factors in these determinations. As a small business employer, I know what my obligations are to the people I employ, and certainly if we want to run a successful business we try to develop these people and pay them the top wage the competition will meet. If government dictates what wage we must pay, many companies will not even be able to start up. We have found that if small businesses don't improve their wages for apprentices, and the apprentices are qualified, they're certainly grabbed up very readily by higher and larger institutions. So we have no fear about the fact that minimum wage or something of that nature is a poor place to start as far as wages are concerned.

Having said that, and being part of my own conclusions, I feel I should read the statements as prepared

by our president, who is not with us today, so I will read this as it is. For those of you who will have printed copies, Mr Laroche has a very strong French accent and some of the words and phrases here might be even more applicable if he were reading this summary.

In these days of transmondial companies, no one can be assured of a job for life any more. The apprentice of today will have to have an attitude of constant learning, upgrading, lifelong studies, and meet not only today's standards but the ever-new concepts and changes being developed and not even invented at this time or on the market today. Now technology changes every three years, as compared to 20 or 15 years not that long ago.

If we wish to have future teachers evaluated and upgraded every five years, so should new skilled workers for the future; they cannot be certified for life. We have governments interested in collecting exam fees. No institution can keep up with the latest technology equipment. Employers need some type of standards to evaluate future and existing personnel so they can be trained and upgraded. They need some type of motivation to ensure constant upgrading for future equipment in order for entrepreneurs to keep going and factory floors working. Due to the costs associated with training and upgrading, no single employer will be able to afford to have all the new equipment at once or even in the same facility. For a new apprenticeship program to be effective, it will have to offer today's apprentice the opportunity to move from one employer to another or to tomorrow's entrepreneur.

Some type of record will have to be retained by the apprentice, with monitoring as to the validation of accomplishments to date, perhaps in the form of a booklet. Included in this booklet are provisions for original accomplishments completion, to keep records of new and future training and upgrading. A renewal system has to be instituted for renewals at periodic intervals, say three to five years. There should be no automatic renewals, and some type of upgrading should be mandatory before a new certificate is issued.

Some type of multiple discipline has to be recognized, since it is a fait accompli at present in many plants for the survival of small industries. The delegation from St Clair College will undoubtedly be discussing later these multi-skilled products in advanced manufacturing at the centre for excellence, in manufacturing, along with integrated manufacturing, to name a few. Others, for example power engineers, do not at this time fall under apprenticeship programs.

In the Ministry of Education and Training booklet entitled *Better Skills, More Jobs: Ontario's Plan for Tomorrow's Job Market*, if the goal is to provide 750,000 Ontarians with employment and training and not just to collect the examination fees, then we should include the interns working in hospitals. At present, their working conditions and training hours are appalling, and the pay-rate ratio is less than a first-year apprentice in the trades. If they were covered under the apprenticeship program, they would have some recourse for this problem. This

would also hold true for all self-regulatory groups not covered by apprenticeship programs at present.

Thank you very much for this opportunity.

The Acting Chair: Thank you, sir. We've got about two minutes per caucus left for questions, beginning with Mr Caplan.

Mr Caplan: Mr Browning, thank you very much for your presentation. One of the questions I've had consistently about Bill 55 is that it says it's going to allow part-time, contract and self-employed people to be apprentices. Can you tell me how a self-employed person could possibly be an apprentice? Who would supervise them?

Mr Browning: As it applies in our industry, I can't think of a situation of that nature being applicable, actually. It would perhaps apply to the other trades, other types of employment, but not to training in our area.

Mr Caplan: I've asked this question to a lot of people in a lot of the different trade areas. Nobody has been able to give me an answer. Actually, no government member has been able to give me an answer either. It is really kind of weird, what's envisioned there. I'm really trying to get some handle on what that could possibly mean.

Mr Browning: Other than some means, perhaps, of getting around corporate structure, or something of that nature, I see no way of it coming into effect.

Mr Caplan: Trying to get around something somehow.

Mr Browning: The fact that, "OK, we're not employing individuals; we're employing corporations," or something of that nature, which are stand-ins as individuals.

Mr Caplan: So, possibly lowering our standards.

Mr Browning: That may be possible, yes.

Mr Lessard: Thank you, Mr Browning, for your presentation. I guess it was a dual presentation and reflected the views of part of the industrial sector, engineering and tool and die making primarily. I'm wondering whether you have any views about whether it might be worthwhile to split this bill so it applies only to the manufacturing or industrial sector and leave the existing legislation to cover the construction industry. Do you think there's some merit to that?

Mr Browning: I implied that I don't think there's a situation here where one answer will fit all conditions. There must be some consideration given to the various applications of apprenticeship; certainly, it varies tremendously when you put it to its true applications.

Mr Lessard: I'm trying to determine as well whether you are supportive of Bill 55, whether you're cautiously supportive, whether you have some concerns about the bill.

Mr Browning: As an employer of industry, particularly small industry, who needs as much leeway as possible to run our business, we like to think we need government help where we need government, in situations where we are not able to help ourselves, but we want government out of our hair as much as possible to run our business. We have limited funds and so forth, and we must cut the cake to fit the party. Therefore, we want as much opportunity to use our own ingenuity and our own

challenge and so forth to succeed, and the less government, the better, as far as we're concerned.

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Mr Gilchrist: I appreciate your presentation. Before I get to my question, let me very briefly deal with Mr Caplan. Twice this morning he's made a somewhat facetious comment that he doesn't understand why the bill would talk about the self-employed and that he hasn't had an answer.

First, the backgrounder you received in June 1998 does talk about the fact that construction piecemeal workers are not allowed to be apprentices today. To give you another example, I come from a Canadian Tire background. I would not have been allowed to become a class A mechanic because I owned the garage. So there are two examples. Perhaps reading the briefing notes that are provided might be a good first step.

I'm intrigued. Let me ask you this wearing your tool and die hat. We've heard from a number of presenters here this morning about how many companies are desperately looking for apprentices and the number of want ads here in Windsor. I appreciate that people have different opinions on whether this bill will deliver. In the absence of this bill, we hadn't heard any other suggestions. No one was pushing us to find other solutions. What would you offer to us? If Bill 55 isn't the perfect solution, how do we accomplish the goal of increasing the number of people who go into the apprenticeship program, specifically tool and die?

Mr Browning: Again, there are conditions that must be separated in terms of what training for which purposes. In our particular industry, in the tool and die and machining industry, we need flexibility, which I think this bill perhaps is directing.

For example, in our particular business we quit trying to have apprentices who were registered under the apprenticeship act because of the situation with regard to number of apprentices to journeymen, the appropriate amount of earnings as applied to journeymen etc. All these regulations made it almost impossible for a small business to prevail. So what did we do? We just quit apprenticing people under the technology and the act of apprenticeship. We didn't go out of business; we just said we're going to run our business, and the people we're going to employ and train, someday, maybe, through a grandfather clause or something, will be able to become journeymen, but it's not going to be one of our concerns. We're going to train people for our purpose and they're not necessarily going to be registered as apprentices. They're not going to be able to go somewhere else in Canada and say, "Here's a certificate" or something of that nature.

But the fact that we did apprentice and train people testifies to the extent of the industry here in Windsor today. There are hundreds and hundreds and hundreds of tool and die makers and machinists out there who are expert at their craft who don't have any kind of a piece of paper saying, "I'm a journeyman."

The Acting Chair: Thank you, Mr Browning. We appreciate your attendance here this morning and your presentation.

CAW WINDSOR-ESSEX COUNTY SKILLED TRADES COUNCIL

The Acting Chair: The next presenter is Percy Rounding, president of CAW Windsor-Essex County Skilled Trades Council. Good morning, gentlemen. Welcome to our committee. Maybe we'll have each of you introduce yourselves just so we have it on the record for Hansard. You have 20 minutes. Should you allow any time for questions, they would begin with Mr Lessard. The floor is yours.

Mr Percy Rounding: Good morning. My name is Percy Rounding. I'm the president of CAW Windsor-Essex County Skilled Trades Council, which represents every CAW skilled tradesperson in the Windsor-Essex county area. We don't say "apprentices," because they are skilled trades to us.

I'd like to introduce my co-workers, cohorts. This is Randy Emerson on my left; he is an apprentice electrician at Chrysler Canada. To my right is Steve Endo; he's a co-op apprentice involved in the St Clair-Chrysler-CAW pilot project. To my far right is Len Armstrong, who is a chef de parquet in the hospitality industry at Casino Windsor.

Bill 55 will phase out regulated wage rates. We must keep in mind that the apprentices are working people who already make a significant financial contribution under the current system through reduced wages, let alone another wage reduction under the proposed changes. Then they will have to pay full tuition fees and administrative costs, plus the financial burden they're already carrying: the cost of tools, the cost of books, the cost of school supplies, travel costs and a new user fee, the apprentice registration cost. They will also have to pay the cost for testing and licensing fees when they complete their apprenticeship. All of this will act as a disincentive to new apprentices, which will result in fewer people entering the apprentice programs, more dropouts and ultimately, again, a shortage of skilled tradespeople.

Bill 55 eliminates ratios of apprentices to journeypersons, when 80% to 90% of what an apprentice learns is on-the-job training by experienced journeypersons. Ratios were initially determined by industry to guarantee that the skills of the specific trade are passed on and to ensure that the apprentice would train with a number of journeypersons to learn a variety of techniques and tasks using the trade to safeguard the health and safety conditions of the employee, the employer and the customer. Getting rid of the regulated journeyperson-to-apprentice ratios and replacing them with voluntary ratios will mean more apprentices will work without proper guidance, and this tilts the balance from learning to working.

Well-rounded experience in the trades can't be achieved without time to learn from journeypersons in the workplace. Bill 55 removes apprentice standards, which are

replaced by skill sets. It is imperative that the apprentice who graduates as a tradesperson fully comprehends the entire trade in order to understand the consequences of any actions that will create a reaction. We must remember that a trade is a professional career, not a clustering of skill sets, in order to blend trades, which promotes multi-skilling, or as we call it, deskilling.

The training for an electrician is profoundly different than the training for a plumber, but some training is similar, such as math, health and safety, reading and comprehension of engineering prints and the installation of pipe or conduit. If I have a skill set or a C of A, certificate of achievement, in cutting, threading and installing pipe, does this mean I become a 5% electrician or a 5% plumber or both? If I learn a different skill set or a C of P, certificate of proficiency, such as measuring and cutting of lumber, do I become a 5% carpenter? Now I learn more skill sets. What am I? Am I a jack of all trades or a plumber or an electrician or a carpenter, and who will employ me?

This is why you must keep intact the regulations that apply to any trade for which there is an apprentice training standard, not a multiple of skill sets. It is important to understand that the basic licence or C of Q, certificate of qualification, is a complete understanding of the entire specific trade.

I want to speak for a minute on the co-op apprentice program that we have in conjunction with Chrysler Canada and St Clair College. This is a pilot project. We believed that we could not advance youth in the community under our regimented structure, our collective agreement, but in order to promote youth employment, we were willing to take a chance on the youth of this community to start a pilot project in which the students are registered and indentured as industrial electrician 442A.

They also take courses. At the end of their semesters — this is a four-year program — they have significant time towards their apprenticeship. They will also be registered and get a diploma as an electronic technician or an electronic technologist, which gives them substantial credit towards a degree to go on to the University of Windsor, if they stay in the city, or any other university to complete this program to become electrical engineers.

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In the meantime, when we negotiated this program, Chrysler did not forget about their traditional apprentices. We normally carry 18 apprentices, which was a negotiated item. Through this program, we were successful in bringing our numbers up to 54 apprentices in the system by January 2000. These trades are not all electricians; they will be indentured electricians, indentured pipefitters, indentured millwrights and indentured toolmakers.

Lastly, we request that this legislation be withdrawn and in its place established an apprentice review process, with consultation with those directly involved. Bill 55 wasn't done right the first time but can be done right the second time.

I thank you for the opportunity to speak. I'll let Randy Emerson, an apprentice electrician at Chrysler Canada, speak.

Mr Randy Emerson: I'm a third-year electrical apprentice at Chrysler. I want to talk about skill sets. I was never trained that way. To me, if you train people in skill sets, it's like piecework. You would not want your doctor trained that way and then to look at you after to see if he learned different parts of the body, and then say, "Do the whole body." You would rather have it go the way it's supposed to be: You train him as a GP and then you train him later to get into special skills.

Skilled labour is the same way. When I do a job at work, I go from start to finish. I have to know what wire to pull, what size it is, conduits, how to bend it, how to hook it up, what piece of equipment I have to do, what size disconnect I have to have. It's not all piecework. You have to know the entire job. If I'm going to know how to troubleshoot it after, I have to know the entire work, not bits and pieces of it. I have to know the way the whole system works. If I don't wire it up right or do something right, if I do piecework, I'm afraid you're going to have apprentices out there who are going to hurt somebody or themselves. That's what I think this bill will do.

Mr Rounding: Next is Steve Endo, co-op apprentice.

Mr Steve Endo: I'm an indentured electrical apprentice. I'm currently enrolled in the Chrysler co-op CAW pilot program of industrial electrician, electronics engineering and technology. I'm not a skill set worker. I and several of my classmates already have post-secondary degrees and diplomas.

We rely on our journeymen to learn all aspects of the trade, including electronics, computers, construction and heavy industrial electrical work. We rely on them to learn all different aspects, but we also rely on our journeymen to make it home alive each and every day. Without the ratio of journeymen to apprentices, that would be difficult.

I also find it very difficult to fathom the idea of an apprentice paying already astronomical tuition fees who is now making minimum wage.

Mr Rounding: Next is Len Armstrong. To show you how diverse our union is, in the CAW is a chef de parquet at Casino Windsor.

Mr Len Armstrong: I'm representing the hospitality industry. This industry will see incredible growth in Windsor, Essex county and the area in the very near future. The food and beverage alone has an estimated shortfall in the next five to six years of 3,000 people, and they remain unsure if they will be able to meet the demand of the industry, let alone reach the full potential of the area. This is an excellent sign for young people in the area, as nationwide the hospitality industry employs 45% of the employed youth workforce. The expansion in this industry is due largely to direct and spinoff activities spurred by our expanding gaming sector. Casino Windsor alone contributes to both the accommodation and the food and beverage sector through the purchase of 27,000 rooms and meals for its patrons.

Tourism and convention activity has also increased. The opening of the permanent site casino, the casino and the luxury hotels and the development of the Western Super Anchor will generate a large amount of movement within the industry. It is not unreasonable to think that some of the newer venues will entice staff from local businesses, creating promotional opportunities and job opening to backfill those positions.

There is a considerable shortage of qualified first-line, head and sous-chefs, especially red seal sous-chefs in this area. As a result, employers are advertising outside the area. The individuals applying for the jobs are not qualified. They generally are people that have worked in the establishments doing a combination of tasks but they aren't meeting the qualifications that employers are seeking. Individuals in this occupation need to possess a higher level of experience and not be a freezer-to-fryer-to-plate chef.

My concern to you is, I've had 18 years' experience in the food and beverage industry, and there are diseases out there like salmonella, botulism and trichinosis. I feed the public sector. If I don't know what I'm doing, and you're taking your family out to eat, what would you be thinking when you sit down to have a plate of food?

Mr Rounding: That concludes our presentation. Are there any questions?

The Chair: At this point we have time for a couple of minutes per caucus, starting with the NDP caucus.

Mr Lessard: I want to start by asking you, Len, about your experience as a chef because, when the minister made the announcement about introducing Bill 55 he made it at a hotel in Toronto and specifically referred to the hospitality/tourism sector as one that was going to benefit from this legislation. We've seen, as you've indicated, tremendous growth in this area as a result of the casino initiative, which I'm proud we were able to bring to Windsor. I'm wondering whether you see anything in Bill 55 that is going to encourage more young people to get into the tourism and hospitality sector, as the minister is saying this is why the bill is being presented, almost to address that sector specifically.

Mr Armstrong: I don't really see that in Bill 55 because we're not going to be paying our chefs and our red seal chefs the money and the wages that they feel are fit. I've had other jobs where the company said, "When you finish this, you'll get a certificate," but it wasn't a part of the skilled trade. Once you acquired this paper, your boss looked at it and said, "Oh well, it's just a piece of paper," and paid you \$7 an hour. When you go to these Jiffy Lube shops and you look in the pits and you see these guys dirty, hard work, there is no skilled trade for them. Who looks after them to say that they're going to make a decent wage to buy a house and support a family? There's no one.

When you introduce Bill 55, you're saying, "We're scratching the paperwork, we're just going to pay you a wage we feel that you're capable of having," and then that's it. I think with Bill 55 you're going to lose a lot. Safety awareness, responsibilities, accountability,

controls, public health and safety, maintaining government standards, artistic values, professionalism, all that goes down the pipe. Years of experience, proper food handling and procedures, none of that is being taught.

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Mr Lessard: You don't think it's going to encourage more young people to become chefs in the hospitality sector, then.

Mr Armstrong: Not without the red seal certificate.

Mr Froese: Thanks for your presentation. I'd like to talk a little bit about — I know we have a short time — certification and skill sets. Under the current act, on page 11, and under regulation 26, it allows for having different trades involved in an apprenticeship program. Actually, and you're probably aware of this, only 19 of the 67 trades are compulsory and 48 of them are volunteer already, and that just moves to the new act. It allows for that flexibility. It creates more opportunity for different trades to be under the apprenticeship program. Do you not feel that because that's there already — we feel strongly as a government that the industry as employers, along with yourselves as employees, need to develop those standards and those certification criteria to present to the minister. It's there already. I've said this before, if you were listening this morning. I'm surprised that there is a concern out there. We have it already and all we're doing is allowing more flexibility for other trades to be in the apprenticeship program.

Mr Armstrong: You're correct, there is some flexibility there now. That's why I mentioned the skill sets, the new terminology by the government. Skill sets are similar between trades, the basic part. The problem is that if this bill is enacted, the regulations will be all rewritten. The regulations will not stay intact as they are. This comes from the office of the ministry, from Kathryn McKenzie, whom we met with. She told us to trust her on the regulations that would be rewritten after the act. We asked for copies of the revised regulations and basically she said to us to trust her. She seemed a very intelligent lady who understood the program, but we as the union or, more importantly, as skilled trades cannot trust anybody to rewrite the regulations without our input.

Mr Duncan: Percy and Randy, it's good to have an actual electrician apprentice here, and Percy, of course, with your background.

We talked earlier today — I think Gary raised the question of our global competitiveness and our competitiveness, say, within the auto industry. I know your plants compete with other plants in the United States. When I was a young fellow working in the Ford Motor Co in plant 2, as I recollect, you could tell the difference between an engine that was made here in Ontario and an engine that was made in the United States, and a lot of that had to do with the skill sets and the training particularly that our skilled tradespeople have. I wonder, Randy, if you could tell me, as an apprentice trainee — you started to talk about knowing every aspect of your job. In a plant like yours, I would imagine we would be more protected there than we would be in some other unorganized shops. Can

you tell me what this will mean in terms of our competitiveness with, say, St Louis, with other plants that our plants compete with? Given the fact that most studies indicate that we have a real competitive advantage in terms of the quality and training of our workforce, can you tell me what this will mean in your plant?

Mr Emerson: I think if they had skill sets in the plant, the competitiveness would lower the skill of the skilled trades. That's what it does, so your competitiveness automatically lowers from that.

Mr Duncan: Again, just from the guys in the plant, years ago it was always a very simple fact that the quality of our product was much higher here.

Mr Emerson: I think it still is.

Mr Duncan: It's still the case? You can tell the difference between the vehicle that's assembled here in Windsor versus the vehicle that's manufactured in St Louis.

Mr Emerson: I feel it is, yes. I think our trades are very good.

Mr Rounding: That was in the J.D. Power report.

Mr Duncan: Power has said that?

Mr Rounding: J.D. Power reports that our vehicle is superior in quality to our sister plant's in St Louis. But there isn't a lot of difference, because St Louis's assembly has spent a lot of money bringing up, per se, skill sets in the skilled trades.

Mr Duncan: So we're going in exactly the wrong direction.

Mr Rounding: Yes. Instead of lowering the standards, in our opinion the standards ought to be increased and improved.

The Chair: Thank you very much for your presentation here this morning.

ELGIN, MIDDLESEX, OXFORD LOCAL TRAINING BOARD

The Chair: At this point we call the delegation from the Elgin, Middlesex, Oxford Local Training Board. Please introduce yourself for the sake of the committee members and for Hansard, and you have 20 minutes to use as you wish.

Mr Charlie Johnston: My name is Charlie Johnston. I'm the executive director of the Elgin, Middlesex, Oxford Local Training Board. I would like to express my appreciation for being allowed to present this morning.

The Elgin, Middlesex, Oxford Local Training Board is one of 25 local training boards in the province. As our name implies, we look after the training needs of the citizens of the counties of Elgin, Middlesex and Oxford. Our office is located in London. We are funded jointly by the Ministry of Education and Training and Human Resources Development Canada. Our main role is to look at what the community training needs are and provide recommendations to the Ministry of Education and Training and Human Resources Development Canada regarding those needs, specifically what sort of training programs are needed and will meet the needs of the community.

Our board is a large board, 22 members; it is a diverse board. It includes representatives from business, eight directors; from labour, eight directors; from the education and training community, two directors. There is one director representing women, francophones, visible minorities and persons with disabilities. This board is passionate about apprenticeship.

Early in 1997, prior to becoming the Elgin, Middlesex, Oxford Local Training Board, we were known as local board 15. The board put together a position paper on apprenticeship and it was submitted in response to a call for papers on apprenticeship. A year later, in early 1998, Minister Johnson released a press release on apprenticeship reform. My board instructed me to pull together an apprenticeship committee. The committee is made up of representatives from the board, where we have expertise in three of the four sectors. We augmented the committee with members from the motive power sector, where we lacked representation on the board.

I would like to read to you a general statement on apprenticeship that was developed by the board's apprenticeship committee and later approved by the board as a whole on May 28 of this year. There are 12 principles to this general statement on apprenticeship.

Principle 1: All provincial advisory committees must consist of representatives from labour and management. Apprenticeship intake should be controlled by a specific trade's provincial advisory committee to ensure a supply of skilled labour that is consistent with demand, making possible full employment for all workers.

The committee sees that the PACs need to be given very strong powers, and this is one example of where that committee is going with that thought.

Principle 2: Government should continue to promote and market apprenticeship and trades work to youth. Greater emphasis must be placed on getting the message out to those who are in a position to influence career decisions, such as parents and guidance counsellors. Secondary school curriculum should include a mandatory career path planning course that includes information on skilled trades careers.

I recently attended a meeting of guidance counsellors and tech heads, and the big concern was that we can tell young people how to become doctors and lawyers, but we really can't give them anything on skilled trades. There is no information. I had a conversation with representatives of the apprenticeship branch, and the big concern there was, "We can't publish anything because we don't know where apprenticeship reform is going." We've been talking about that for too long.

Principle 3: All learners should be offered the necessary generic employability skills training prior to entering apprenticeship or post-secondary programs through secondary school and/or pre-apprenticeship programs. Generic employability skills should also be offered for all post-secondary and apprenticeship programs. Being prepared with the basic communication and technical math skills will facilitate mobility from one type of program to another.

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Principle 4: A process for assessing and determining prior learning credit should be developed and implemented in support of individuals wishing to enter the apprenticeship system. This could also be valuable for the recognition of individual experience and credentials from other provinces and countries. Provincial advisory committees should determine how this process is implemented.

Principle 5: The government's role should be to work with the provincial advisory committees to establish quality indicators for training deliverers. These indicators should be rigorously enforced and tied directly to the best training possible. For example, college grants should be directly linked to quality measures for apprenticeship training. The government should support the use of multiple delivery sources for apprenticeship training. The provincial advisory committee needs to be involved with this process.

Principle 6: The funding model should be based on the unique characteristics of apprenticeship, factoring in the demographics of apprentices and the contributions made by employers and apprentices to work-related training. The funding model should not shift the cost of apprenticeship in school-related training to apprentices or employers. Given that there are inherent challenges in recruiting for some apprenticeable occupations, the funding model should not present barriers to a specific industry's ability to develop and retain the skilled labour force required to meet demand. The funding model should be developed with the provincial advisory committees.

Principle 7: Recognition should be given to the cyclical and/or seasonal nature of some apprenticeable occupations when developing a funding model.

Principle 8: Employment insurance should fully provide income support for apprentices for all time spent in school associated with the apprenticeship.

We have a real problem trying to get young people into the trade, because we can't tell them about tuition, we can't tell them about income support, and we don't have a lot of promotional literature to tell them what is involved with skilled trades training.

Principle 9: Local boards must be one of the groups government consults with around apprenticeship issues. Government action should be based upon any recommendations made by local boards. Government should also communicate back to local boards on the recommendations.

Our board is a volunteer board that donates large amounts of time because they are passionate about training and about skills. If their recommendations are not heeded or at least recognized, you will lose this valuable community resource.

Principle 10: There must be a statutory relationship between the employer and the apprentice that defines a greater level of commitment between the two parties regarding the completion of an apprentice's training. There needs to be a legislated minimum ratio of apprentices to journeypersons in trades where the provincial advisory committees see a future increase in demand. This

would ensure that every employer that employs workers in a specific trade will participate in the training of apprentices and contribute to the future supply of journeypersons, so not just the small organizations training so the large organizations can steal.

Principle 11: We need a statutory obligation regarding national standards.

Lastly, principle 12: Equity of access and a discrimination-free environment for all should be included as a basic requirement for all training delivery, including access to apprenticeships.

That concludes my presentation.

The Chair: We've got about three minutes per caucus for questions, starting with the government caucus.

Mr Smith: Mr Johnston, it's a pleasure to see you again. Thank you for your presentation this morning. Having met with your board, I also want to thank you for following up on my request with specific comments on the secondary school curriculum as it applies to technology.

With respect to principle 10, I wonder if you could elaborate a little bit more — I certainly understand what the first sentence means, but from the start of the second sentence to the conclusion of that paragraph — on what you envision in terms of legislated minimum ratios that are sensitive to increases in peaks and demands.

Mr Johnston: We see a situation where small employers take on apprentices, train them, get them through their apprenticeship, and as soon as they become journeypersons, they are lured away by larger employers that have not invested in apprenticeship training, just because they have the economic wherewithal to offer a greater wage.

We would like to see a situation where all employers that have that skill set, that trade, are actively involved in contributing to the investment in that skill trade. There are a number of ways of doing this. There are a number of models. I wish I had a nickel for every person who has gone over to Germany to look at that model. This committee looked at the model and, quite frankly, I don't think things like training taxes, training funds, credits, grants and subsidies are going to work. They are complicated, and business doesn't particularly like them at this point in time.

I think what we've got to do is keep it fairly simple. In trades, and I'll give you an example, in the tool and die making trade where there is a forecast increase in demand, and the provincial advisory committee would be the body that would make that call, then anybody who has in their employ a journeyperson tool and die maker would have to take on an apprentice and they would have to take on apprentices in the ratio according to how many journeypersons they have. For instance, General Motors, which might have 1,000 tool and die makers, if the ratio is 10%, would have to take on 100 apprentices.

Mr Smith: There have been a number of questions and different points of view expressed with respect to the role of provincial advisory committees. As you know, in the existing legislation there is one generic statement about the role of PACs. That has been broadened in the

proposed legislation into six different areas beyond and including an advisory and a standards function.

In your opinion, is the legislation as drafted sufficient? The reason I'm asking you this is that I have been advised by the ministry that in fact PACs have given some concurrence to the language that's in this bill as it applies to the roles and functions of the provincial advisory committees. Is there more work required in that regard or is it sufficient in terms of the feedback you've received from the training board locally?

Mr Johnston: It is the opinion of the training board that that needs to be strengthened in the legislation, and it needs to be strengthened in the areas that we have indicated in this statement: looking at what the future demand is, being able to ensure the quality of in-school training, and there are a couple of other areas where we've referred to what the role of the provincial advisory committee must be.

I think it's something like training boards. If you really want to see them energized, moving and doing great work, then start giving them the mandate, making it clear, and start using the expertise that you have around the table. I think that's the way the local training board looks at the PAC.

Mr Caplan: Mr Johnston, thank you very much for your presentation. I want to pick up a little bit on where the parliamentary assistant left off. In principle number 10 you talk about the statutory relationship between employer and apprentice, but that's being changed in Bill 55. Employers are now becoming sponsors of training. There is no more employer-employee relationship. Is that what you're referring to, does that give you concern and, for the purposes of Bill 55, is that what specifically needs to be changed in order to have a specific relationship between employer and employee?

Mr Johnston: What we need to do is ensure that the apprentices get through their training as soon as possible. Too often in the past we have seen industry downturns that have resulted in layoffs of apprentices. We've seen some action by the Ministry of Education and Training to do simulated workplace-type training to get the apprentices through their apprenticeship. We need a commitment by somebody, and the way it has been in the past seems to be where I'm coming from.

The employer needs to step up to the plate and say: "Yes, I took on this apprentice. I owe that apprentice the opportunity to finish their training. If I can't do it, then I need to hand that apprentice off to another employer who can." The end result is we get that apprentice through the training. How that happens, I don't think that's really where the local training board wants to go, but we've got to move in that direction.

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Mr Caplan: When you talk about the cyclical nature and the seasonal nature of a lot of the trades, if somebody goes into a trade area and is qualified in only specific skill sets, when the time comes that that changes, where is that person going to be able to find work? There's not going to be anything out there for them. To me, either they will be

in a dead end, or they'll pass themselves off to the public as qualified electricians, plumbers, tool and die makers. That's a concern I have about what's going to happen because of the nature of work. Do you share that concern?

Mr Johnston: Absolutely. If you've trained somebody to do a very specific task and to repair a certain piece of equipment and that's it, and you happen to be the only industry that has that piece of equipment in the community, then what you've done is you've dead-ended that individual. You need to take a look at the trade in terms of it being a portable skill, just as if you're a physician. You have been certified to a certain skill set and you can move through to other provinces and around the world based on that credential you have obtained. I agree with the previous speaker. Why would we treat the skilled trades any differently? And if we do treat them differently, what message do we send to the young people? We need to start promoting young people to get into the trade.

Mr Caplan: Excellent point.

Mr Lessard: Thank you, Mr Johnston. I agreed with much of what you said, especially principle number 10, that there needs to be greater level of commitment from employers to apprentices. It's an interesting suggestion that you make about the ratios of journeypersons to apprentices that I don't think we've heard suggested by anyone so far. I don't think there are going to be those provisions in the legislation or the regulations to require any level of ratios of journeypersons to apprentices. That is a good suggestion that is a bit different than establishing training funds, for example.

One of the provisions that is removed from this legislation is the two-year minimum contract provisions, and I wonder if that's something that causes you concern.

Mr Johnston: I think it probably would impact on the level of commitment between the parties involved in the apprenticeship training. It is the view of the board and the committee that we need to strengthen the contractual relationship between the apprentice and the employer, focusing on the end-game. What do we really want at the end of the process, and how do we engineer that that does happen?

Mr Lessard: One of the things that I think we want is for more young people to be involved in the skilled trades as an occupation to ensure that we have high-quality skilled tradespersons who are making a decent wage. One of the ways that we get there, I think, is through promotion, which you've touched on as well, trying to get more young people involved in skilled trades as a career path. I wonder whether you see Bill 55 as something that is going to promote skilled trades as a choice for young people or whether it's going to be a disincentive for young people to make that choice.

Mr Johnston: I don't see much in the bill that's related to promotion. You'll have to forgive my ignorance of the process, but maybe that's not where that's supposed to be. I would like to commend the government for the Ontario youth apprenticeship program, which I think is going to do a tremendous job in promoting apprenticeship.

I'd like to thank the government for writing local training boards into the script.

I have the privilege of serving on three steering committees that will promote getting students in grade 11 into apprenticeship situations. I'm going to a very interesting program that involves the Durham College model for precision machining trades and involves Fanshawe College. It'll be interesting to see how many students come out to that information night at Fanshawe College this evening.

Maybe promotion shouldn't be in Bill 55, but there needs to be some concerted effort by all those involved, and that includes local training boards. I think we have a stake in promoting apprenticeship.

The Chair: Thank you, Mr Johnston, for your very interesting presentation this morning. We will adjourn until 1:20.

The committee recessed from 1206 to 1322.

The Chair: I would like to call the session back to order and thank members for joining us again this afternoon.

INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS
AND LOCAL APPRENTICESHIP
COMMITTEE OF CENTRAL ONTARIO

The Chair: We'll start with the first presentation this afternoon, the International Brotherhood of Electrical Workers, local 773, if you would come forward. Thank you for joining us. If you could, for members of the committee and for the record, give your names and whatever other titles. Thank you.

Mr Sam Riddick: My name is Sam Riddick. I am the business manager for the International Brotherhood of Electrical Workers, local 773, here in Essex and Kent county. With me today is Jerry Wilson, who is the business manager for the IBEW, local 804, in Kitchener.

I'm here today representing the IBEW. In our area, we represent close to 500 men and women who work in the electrical industry. I also serve as a member of the Essex and Kent joint apprenticeship and training council. This is a committee that's made up of employer and union representatives. Together we direct the apprenticeship training of approximately 60 young men and women who are currently serving an electrical apprenticeship.

I'd like to begin my presentation by saying that the current Trades Qualification and Apprenticeship Act is a fundamentally sound piece of legislation that may require limited amendments. Any attempt at revising our current apprenticeship and training system must be approached with great care and great respect.

As someone directly involved in the electrical industry, a complaint I would have with the existing act is the lack of enforcement of it. I would certainly like to see aspects of our current apprenticeship act, such as apprentice-to-journeyman ratios, more strictly enforced. The intro-

duction of Bill 55 will resolve this and many other issues by eliminating anything that would require enforcement.

In reviewing Bill 55, I feel that the most damaging effects of this legislation will be in regard to safety on the job sites and also to consumers. Currently, the electrical trade requires potential apprentices to have a minimum grade 12 education. Bill 55 would eliminate the requirement of a minimum education level. The construction industry is a potentially hazardous business. We as electrical workers would like to see the most highly educated people possible involved in our trade. Electrical work can be very complex, and there is always an element of danger when dealing with electricity. We would like to see minimum educational requirements stay in place to facilitate safer job sites and, in the long run, safer products passed on to consumers at the completion of a project.

Also, Bill 55 would eliminate the minimum of a two-year contract of apprenticeship. The elimination of minimum hours would likely see apprentices completing their theoretical training but not spending sufficient time on the job gaining practical, hands-on experience in real work situations. This will result in unqualified workers with little or no on-site experience. In addition to the safety and quality issues, these workers will likely be less productive on the job initially because of lack of experience.

Bill 55 eliminates legislated apprentice-to-journeyman ratios that in the past provided protection to the apprentice and to the customer. Apprentice ratios ensure that apprentices work under the supervision of a journeyman. Enforced apprentice ratios also help to ensure that work on a given job site is completed by an appropriate number of journeymen and apprentices. These ratios help provide assurance to consumers that they are receiving a quality job.

The entire concept of an apprenticeship system is based on the relationship between the apprentice and the journeyman as trainer and mentor. The elimination of legislated ratios opens the door to apprentices working on the job with insufficient supervision, as well as the use of apprentices to perform work for which they are not fully trained.

Bill 55 moves away from certification of trades to certification of specific skill sets that can cross trade jurisdiction. The electrical industry believes that all designations within the trade should be compulsory or restricted. Fragmenting the trade and restricting only specific skill sets could lead to unqualified individuals performing dangerous work which could put the worker and the public at risk. We feel that performing any specific aspect of electrical work requires a broad understanding of the electrical environment to avoid dangerous situations. An individual certified in a particular restricted skill in the context of, for example, plumbing, and then working on that same restricted skill set in an electrical context may be putting himself or herself and other workers in an unsafe situation.

Bill 55 will eliminate many aspects of apprenticeship that were previously included and, as such, enforceable by the government. The electrical trade sees a continuing role

for government in legislating aspects of the trade and providing adequate enforcement of the act.

In closing, I would like to say that I am a product of the current Trades Qualification and Apprenticeship Act. I served a four-year apprenticeship of on-the-job training along with theory in the classroom. During this period, I received training from highly skilled journeymen and from highly qualified classroom instructors. I believe that the apprenticeship I served and the training I received were second to none. I believe that the current apprenticeship system in Ontario works and produces outstanding tradespersons. These highly educated and skilled young tradespersons ensure a bright future for our province in the electrical construction industry.

We in the electrical trade see Bill 55 as an unnecessary piece of legislation that should be shelved in its entirety. Our current apprenticeship system is successful and continues to provide outstanding tradespersons for the workforce.

Indeed, it's our belief that the system is not broke, so please don't try to fix it for us.

Mr Jerry Wilson: My name is Jerry Wilson. I would like to make it clear that I'm here representing the central Ontario apprenticeship council, which comprises labour and contractor reps. If one of our contractor reps were able to make it down here, you would hear the identical thing that I am about to say.

We represent seven counties and we have a variety of industries in central Ontario. We have car plants, universities, food processing plants, a large number of insurance company headquarters, the Bruce nuclear power development, along with a large industrial, commercial and residential presence in all of these counties. I don't think we want to lessen the expertise anywhere, especially at the Bruce nuclear power development. I'll pull Toyota out of that list. They have spent \$1.2 billion and the people we meet with there have announced that this was the best-built facility in the Toyota world, because of the skilled tradespeople and good contractors that were there.

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For many years we have been quite successful in servicing all clients, because we have very skilled and competitive contractors and very skilled journeypersons and apprentices. When any of the owner-clients call the contractor to do an expansion or a renovation or simply to install a new line of some kind, the contractor-employee is either a licensed journeyperson or a registered apprentice working under the direction of a journeyperson.

Because all of our apprentices do a 9,000-hour apprenticeship, these people are qualified to do any installation they're called upon to do. They have seen all aspects of the industry and as a result are often asked to do much additional work above and beyond what was originally intended by the client. This is because of extensive on-the-job training and it is very good for business.

To replace this with something called "restrictive skill sets" or "modular training" is not the direction to go in the best interests of the electrical contracting business in Ontario. There is much concern that if Bill 55 were

implemented as presented, the way we do business now would be greatly changed, but not for the better. There were very few buildings catching fire from electrical causes when qualified people did the work. This could change if the ratio is eliminated from what it is now. There is consumer protection when tradespeople are properly trained. To remove the ratio and allow such a situation as self-employed apprentices with no journeyperson teaching would not guarantee the consumer that electrical work was installed by a person who was properly trained.

Presently there is a great employer-employee relationship, and under the proposed "sponsor" part of Bill 55 this relationship could disappear. That would be an unnecessary loss. As a matter of fact, my tie pin says "excellence together" and I don't want to have to throw that tie pin away as quality deteriorates.

I don't think we want airline pilots or auto mechanics who safety-check cars to receive a licence without having someone qualified to teach them. Electrical is no less important. The provincial advisory councils are made up of a total mix from construction and industrial including employers, union and non-union; and labour, union and non-union. This committee should have more say than just as advisory, as Bill 55 indicates; the PAC will certainly not be opposed to change if change is required and if the industry will be better for it at the end of the day.

Rather than water down apprenticeship, as would happen with Bill 55, there was a situation recently with a group of residential electrical contractors who have employees with the domestic and rural licence and they want to increase their skills. These contractors are now choosing to have their apprentices go for the construction and maintenance licence rather than residential because they were too restricted and limited before. Even housing is getting into complicated fire alarms, security, and fibre optics, and the more training, the more valuable to the industry and the contractor. Also, these contractors work in commercial and industrial in some cases, and partial skilling is not adequate. Our apprenticeship council feels Bill 55 would mean partial skilling.

Under Bill 55, the word "trade" has all but disappeared. It is necessary to keep the apprenticeship and trades certification intact for a number of reasons. In the true sense of the word "journeyperson," when work is slow in one region or province, construction workers travel to where the work is. However, if in future we don't have the same full background and licence as we do now, we may not be employable in other parts of the country or in the United States, where presently there are opportunities for qualified construction workers. In other words, it is important for worker mobility to have a national standard and not some watered-down standard in the province of Ontario.

It is important that through changes we don't eliminate some qualified people from the industry by increasing costs. Now the apprentice is paying EI premiums, WSIB, EHT etc and can collect EI while doing the trade school part of the apprenticeship. To introduce tuition and remove EI would eliminate some people from the trade because

they have families and could not survive periods with no income.

Presently the apprentice earns a regulated wage from the start of the apprenticeship. Under Bill 55, no minimum wage is proposed. This would reduce incentive to enter the trade and not prepare the apprentice financially for trade school. The issue of trade school costs should be left up to the PACs. The best thing we can do for youth is encourage skill training, not discourage it.

Letters of permission are subject to abuse and should be under the sole control of the PAC because they are the experts in the industry.

In central Ontario and the whole construction industry, in fact, youth are being employed. We have approximately 115 registered apprentices employed and another 185 applicants waiting for their aptitude test. There are no shortages of people entering the trade under the present structure. We don't have dropouts because the system works very well, and we don't agree with day release for trade school. The curriculum in school is very challenging, and the most efficient way is to be in school day after day, not once a week trying to remember where the instructor left off with theory. Even the hands-on shop portion is becoming high-tech, and once per week is not as effective as block release.

We are also in support of the status quo for the length of apprenticeship. There is a danger of graduating underqualified people with a shorter apprenticeship. Also, with the move to high-tech, a minimum of Grade 12 should be required for electrical. A survey states that the public supports that those doing electrical work in public buildings should hold a proper licence, and the best way to secure this is with the apprenticeship system in its present form.

Recently, the fire marshal brought in strict qualifications for those doing certain aspects of the fire alarm system. In other words, the skills are greater, not less. Programmable logic controls are a large part of our installations now. We are training our people on this and fire alarm, fibre optics, communications cabling and many other topics. But these new developments to the industry are above and beyond the rest of the trade we must know, such as lighting, motor controls, estimating, safety, switch gear, high voltage, conduit bending, robotics, fire alarm, just to name a few.

All this training is under the control of the local apprenticeship council. As a matter of fact, here's the training that we offer, and there are over 40 courses there at any given time, over and above the apprenticeships. So we don't need to learn less; we need to learn more. This apprenticeship council works very well because there is input from the workers and the employer. There is concern that under Bill 55 there would no longer be a joint apprenticeship council, and this would be a tremendous loss to the industry.

When industry needs an electrician, they want the whole, complete package. In many cases now, the tradesperson is asked to hard-wire an installation and then tie it into the PLC. This is requiring all the skills learned

during the apprenticeship, and to lessen anything could make the tradesperson less employable in the future — in other words, one-stop shopping. I refer to the Ontario Hydro code book. This is a new book and it's over 525 pages. This book has to be studied and all the rules have to be known by those who do electrical work. To abbreviate the apprenticeship in any way seems to go against the fact that the vast number of rules contained in this book have to be followed.

In conclusion, our council is very concerned about Bill 55 because we could have more than one standard in the pool of people. Construction makes up 40% of all the apprentices, and since the invention of electricity, this industry has done a remarkable job of creating new skilled people, even to the extent that many of our people leave construction when they are lured to industry because we are knowledgeable about all aspects of the trade. In many cases, the graduate was in a position to start his or her own business because of their extensive background. Under Bill 55, we fear this kind of foundation would not be built.

We have been trying to see the pluses with the introduction of Bill 55 and have failed to be able to identify them, but we have been able to see lots of minuses and do not know what the benefits would be.

Having gone through the apprenticeship myself, there is no doubt in my mind that on-the-job training is the only way to become an electrician knowledgeable in all aspects of the industry. More in-school is no more valuable. We had industry representatives meet with the MPPs in central Ontario and didn't have great difficulty convincing them that the apprenticeship system as we know it in construction is not broken. Employers are happy, apprentices are happy, journeypersons are happy, owners are happy. Why do we have Bill 55? It could very well break a good apprenticeship system. Thank you.

The Chair: Thank you very much. You've consumed just over your time. I appreciate your presentation.

SHEET METAL WORKERS' INTERNATIONAL ASSOCIATION, LOCAL 235

The Chair: I would call forward now the Sheet Metal Workers' International Association, local 235. Good afternoon, gentlemen. If you could, for the members of the committee as well as for the Hansard record, please introduce yourselves.

Mr Robert MacIntyre: Good afternoon, committee members. My name is Robert MacIntyre, business manager of local 235, sheet metal workers and roofers of Windsor, Ontario. To my right is James Moffat, chair of the sheet metal provincial advisory committee and a resource adviser on the roofers' provincial advisory committee representing employees; to his right is Dan Schmidt, chair of the roofers' provincial advisory committee representing roofer employers; and to his right is

Frank Seip, co-chair of the sheet metal provincial advisory committee representing sheet metal employers.

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This presentation is being made on behalf of the following organizations: the provincial advisory committee for the trade of sheet metal workers, comprised of equal numbers of employers and employees representing over 1,000 employers and over 12,000 journeymen sheet metal workers and registered apprentices in the construction industry in Ontario. Sheet metal is a compulsory certified trade. The role of PAC is to advise the government in all matters related to apprenticeship training in Ontario. Also, the provincial advisory committee for the trade of roofer comprises equal numbers of employers and employees, representing over 500 employers and over 3,000 journeymen, roofers and apprentices in the construction industry in Ontario.

Currently, the roofer trade has applied for voluntary recognition status, and its proposed set of regulations are before cabinet awaiting approval. The PAC has been established and is meeting regularly. Both trade advisory committees represent a cross-section of interests of the trade, including union and non-union employees working in the residential, industrial, commercial and institutional sectors of the construction industry.

I'll turn this over to James Moffat to do his presentation.

Mr James Moffat: Good afternoon, Mr Chairman and committee members. I've provided a brief for the committee. It's rather lengthy, and I think a number of the organizations prior to me went into some detail and depth on some of the issues. I'm going to try to allow some time at the end of my presentation for questions. I'm going to summarize a lot that has already been said and what the industry has been saying for the last two years collectively. I want to emphasize right at the beginning that this is not about unions and it's not about management; this is about training. Let's not be ill advised that it's those big, bad, dirty union bosses who are against this bill. This is the industry that is against this bill.

We welcome the opportunity to address the standing committee on general government on Bill 55. We remain skeptical, however, because to date this government has not engaged in a lot of meaningful consultation or dialogue with the stakeholders in the construction industry on this crucial issue. As a result of this total disregard for the people who make apprenticeship work, the government has tabled a bill which will gut the apprenticeship system, result in a shortage of qualified apprentices, reduce the quality of training and create a serious health and safety risk to workers and the general public.

We are here today to urge the government to slow down and delay the passage of Bill 55. We say this for two reasons.

First, this bill has little to do with promoting training in Ontario, but rather its goals are to deregulate training, to lower standards in order to lower wages for apprentices, and to reduce the government's cost for training by passing them on to the apprentices. This could best be

illustrated in the purpose clause, which says nothing about training but rather focuses on competition. Second, most of the changes will be put into regulations which have not been shared with industry. We think it is completely unreasonable to expect a response to only half a plan.

Bill 55 is extremely short-sighted, as the long-term damage will be significant. This is why the construction industry, both management and labour, has consistently told the government that this bill potentially will do more harm than good.

In the back of my brief I've attached schedule A. In it there's a letter dated October 19 that is addressed to Minister Johnson, and attached to that letter is a letter dated October 15. What that letter specifically says is that there are four sectors involved in apprenticeship training in Ontario: the industrial sector, the motive power sector, the service sector and the construction sector.

Over the period of the consultations, the government committed to having a government-industry working committee to deal with the criteria on the restricted skill sets. We all selected our employer and employee reps from the respective PACs from those industries and we met on October 15. During the course of the meeting, the discussion on restricted skill sets in the provision by all of the employer and employee reps from those four sectors was thoroughly debated. We asked the government bureaucrats if they would leave the room, that we would like to come to a position on the restricted skill sets provisions in Bill 55.

On July 21, the construction sector met to discuss this issue. There were PAC reps from all of the construction industry, both employer and employee reps. We came to a position at that meeting on restricted skill sets. I have also attached those minutes, but I'd like to emphasize the position of the construction sector at that meeting.

It was decided by all the reps at that meeting that the criteria for the restricted skill sets are to be used only in consideration of making construction trades compulsory, not to be used against skill sets; existing compulsory construction trades remain as they are in their entirety; all construction trades should be compulsory, provided that they meet established criteria; and all reference to skill sets should be removed.

That position was taken forward to this all-sector committee meeting. First of all, we went around the table. There were employer and employee reps at that table, and to a T those four sectors simply said that we are not in favour of carving up the trades with skill sets and restricted skill sets. But if the government does proceed, this is the statement we came up with: "If any skill set within a designated trade or occupation meet any criteria for a restricted skill set as determined by the trade specific PAC then the trade/occupation should be deemed restricted in its entirety."

We asked the government if they would table that position with cabinet. We were told at that meeting that they would not. The reason I'm pointing this out is I guess we're all wondering who is in favour of this bill. Here you have four sectors involved in apprenticeship training in

Ontario that are telling the government, to a T, that they're not in favour of restricted skill sets, and we turn around and ask them to table that with cabinet, that that's our position, and they refuse to do it. What I'm trying to say is that the consultation process to date has been all one-sided.

If this bill is passed, it will deregulate and dismantle the present apprenticeship system and lead to a reduction in the quality of training and workmanship by eliminating all minimum standards and safeguards which are designed to ensure that apprentices receive quality training. It's going to eliminate compulsory certification. It's going to introduce the concept of multi-skilling, eliminate ratios, eliminate the requirement of two-year contracts. It's going to allow for part-time and contract workers. It's going to eliminate the minimum grade 10 education. It's going to omit any commitment to enforcement by this ministry, eliminate the minimum wage. It's going to eliminate the definition of "employer" and replace it with "sponsor." Last, it's going to continue to relegate the industry committees to strictly an advisory position.

One thing that we have said from the get-go — the minister made an indication that he would like to see an industry-driven system. We said fine; if you want industry to drive the system from the local apprenticeship committee up to the industry committees, give us the mandate and empower the committees with some authority to deal with the issues.

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This bill is going to act as a barrier and a disincentive to attracting new apprentices by the introduction of in-school tuition and administration fees. It is going to eliminate long-term job prospects by reducing the quality of training, meaning that apprentices will learn to do many things very poorly. It will also threaten the health and safety of workers and the general public, as workers and apprentices will be performing work they are not qualified to perform and will not be adequately supervised. With the elimination of compulsory certified trades, unqualified persons will be performing the work of skilled trades such as electricians, pipefitters and my trade, sheet metal.

Last of all, this bill centralizes all the decision-making into the hands of the minister to make the regulations, and therefore into the hands of the director of apprenticeship.

Bill 55 can be summed up as follows: Bill 55 equals low wages, equals poor training, equals low quality.

I'm just going to jump to the conclusion, because I want to allow time for some questions.

The government claims that its goal to move from legislative minimum standards to voluntary compliance is positive. We cannot and do not accept that position. While the stakeholders should be involved and provided with much flexibility, there is no reason to eliminate minimum standards below which no one can go. The training of workers and the health and safety of workers and the public must not be left to the pressures of the marketplace. The deregulation of minimum standards will only lead to the reduction in quality of apprenticeship training and put the public and the environment at risk.

This bill in its present form cannot be saved or improved with amendments. The only proper thing the government should do is delay passage of the bill and commence real dialogue and consultation with all sectors to ensure that we have an apprenticeship training system that is second to none in North America.

I have also tabled a list of recommendations, and I won't read them out. At this time I would ask my colleagues whether they have anything to add, and then we're open for questions.

Mr Frank Seip: I'd just like to add, as a person who came through the system initially as an apprenticeship and then as a journeyman, foreman and supervisor, and now as president and general manager of a company and an employer of skilled sheet metal workers, I heartily endorse what was said. I also need to ask the question, who is for Bill 55? It really doesn't seem to serve any purpose other than perhaps shifting the cost of the program to the employers by calling them sponsors.

It seems to me that we're really hurting the industry and the trade and the country as a whole. There's a certain amount of pride in any trade apprentice or journeyman. Some countries are very strong technically, and they're strong technically because they have this pride factor in their industry. You're trying to take that away. You're reducing the qualifications to come in. I know in our trade it has always been grade 12. You're trying to even drop the grade 10 part away from it. Math becomes increasingly more important in different aspects of trades, and you're taking that requirement away.

I need to stress that as an employer I do not see what you can accomplish with this bill. It just doesn't seem to do anything. With the skill sets and things like this, you're going to fragment it. There are going to be labourers doing sheet metal, and you may say that's fine, but it isn't fine, because there are safety issues. Safety issues are more and more in the forefront. You have WHMIS you have MSDS sheets. You're so concerned about the environment. You're concerned about what happens inside factories and buildings. I think that's great. We have to look after our people. But here you've introduced a bill that's going to have a negative effect on safety issues and things like that.

Again, I repeat myself: Who really is in favour of Bill 55 other than someone who appears to be trying to save some money? I'm going to repeat myself, but I don't believe the funding system for the apprentice system is broken, so why repair it? Leave it the same.

The Chair: Thank you very much. That would leave just over a minute per caucus. We'll start with the NDP, and we'll try and keep it brief.

Mr Lessard: I don't know what I can put in there in a minute but, Mr Moffat, you mentioned that you'd like to have this bill slowed down so that people can be genuinely listened to and their concerns taken into account. As you're aware, and I just want to let other people know, these hearings and the clause-by-clause hearings and the third reading debate are all included in a time allocation motion that will limit third reading debate to two hours.

That's the amount of debate that will be left when this gets called back for third reading.

I want to give you an opportunity to talk about empowerment of the PACs. We've heard they are really only given some advisory role. Do you have some concerns about their capacity just to advise? Do you think they should have additional powers in order to ensure that this process at least makes some attempt to try and work?

Mr Moffat: I think fundamentally we're the experts. Under this legislation, the specific trade-industry committees should be empowered with a mandate rather than just strictly being left as advisory. What the government is intent on doing here with this bill is to deregulate the minimum wage, the ratios and the entry level requirements. They're going to ask the PACs to establish those standards and place them in guidelines or into policy. There will be no opportunity for the industry committees to enforce those guidelines. The only way they can do that is to put some clout back into the industry committees. Somehow you have to empower those industry committees to take control of the system.

The Chair: For the government caucus, Mr Smith.

Mr Smith: Thank you, Mr Moffat, for your presentation. It's good to see you again. Just by way of information for the audience, there are no tuition fees proposed in Bill 55. In fact, funding for seat purchases and other related activities in the apprenticeship system provincially has increased with respect to this particular issue.

I had just one question for you. Your industry has requested an exemption to the minimum grade 10 entry requirement. I'm wondering, given that you've made such a request in the past, why are you not confident in the abilities of industry to set those standards, given that you've made an exemption request previously?

Mr Moffat: First of all, I want to deal with the tuition issue. On June 25, the minister made the announcement and the first reading was read out in the House. He's been saying from the get-go, and I'm going to quote here what it says in the background paper: "New approaches to financing must be implemented. Ontario's response will be to implement tuition and financial assistance."

Mr Smith: But it's not in the bill, sir.

Mr Moffat: It's not in the bill, but this bill has created tuition fees; let's put it that way.

With respect to us applying for an exemption to the minimum standard in the present act, I'm not aware of it. I'm wondering which trade you're referring to.

Mr Smith: Roofer. Is that not accurate?

Mr Moffat: We have a set of regulations before cabinet right now. Dan can speak to that, but under the current legislation, the minimum requirement remains at grade 10.

Do you want to speak to that?

Mr Dan Schmidt: The reality of the roofing trade is that you need an exemption from the grade 10. It's highly labour intensive. They're very hard-working people, but generally speaking they have little or no education. We get a lot of European people coming to work. Their educational level is not up at a grade 12 or even at a grade 10

level. We're looking at something equivalent to get them in to learn the roofing trade. The roofing trade is taught more hands-on than it is taught in an academic sort of way.

Mr Smith: Yes. I wasn't questioning your motive; I guess I was questioning the fact that as an industry you've recognized the reality of your industry and have taken those steps to remedy that. Why couldn't a PAC —

Mr Schmidt: That's something that the PAC can look at. Each PAC should have the power to determine what their trade needs, not some other person.

1400

The Chair: For the Liberal caucus, Mr Caplan.

Mr Caplan: I'd like to thank Mr Moffat and Mr MacIntyre for their presentations. You both spoke a bit about the consultation process which has taken place. You said, I think, to the government in your presentation: "Don't eliminate the wage provisions. Don't eliminate the journey person ratios." They did all of those things. Maybe you'd just like to tell us about some of the things that they listened to you about. Was there anything they listened to you about in drafting and crafting Bill 55?

Mr Moffat: I can only recall one thing that they listened to, and that was the argument around the age, 16. I think that remains in the bill. But during the consultations a lot of us really believed that this was an opportunity, that maybe this one time the government, with this piece of legislation, would listen to us. When they released that cabinet document that was signed off in August 1997, we as an industry were working in good faith with the government in doing their consultations. To have that thrown in our face even prior to the summary report that came out in September — I guess that's why we're a little bit concerned about not having the regulations before us.

Mr Caplan: I'm just curious. If the government didn't listen to you in the previous consultations, do you have any confidence at all they will listen to you? This bill essentially says, "Trust us; we will take care of you." Do you have any confidence at all they will do that?

The Chair: Briefly.

Mr Moffat: No.

The Chair: That's very brief. Thank you very much for your presentation this afternoon.

ST CLAIR COLLEGE

The Chair: At this time I would call on St Clair College. Thank you very much for joining us this afternoon. For the record and for the members present, could you introduce yourselves, and you have 20 minutes to use as you wish.

Mr Jack McGee: Mr Chair, members of the committee, I'm Jack McGee, president of St Clair College. With me is Dan White, the director of business technology and trades training at the college. Our purpose this afternoon is to discuss the impact on training of any changes which are coming in apprenticeship and to discuss some of the innovations which we have brought to apprenticeship and some of the areas of concern that we have.

With that, I'll turn it over to Dan White.

Mr Dan White: Apprenticeship as we know it is a very valuable work-and-learn model and one that I don't think has been duplicated in any other form of education or training as we understand it in Canada. We believe this method of learning is crucial, yet the system does require some change which will reflect the current needs of the learner, the industry and the economy of Ontario; there is need for some reform. Is it Bill 55? That is yet to be determined.

We listened to our learners. What they learn in school in many cases is not what they learn or do on the job. That's a concern to us. Many part-time apprentices experience a weak learning environment, as in many cases they are required to work not just 40 hours a week but a 60-hour work week, which means they attend school two nights per week. In a part-time mode, that type of work-and-learn method is not always the best for any student.

There is a requirement for greater flexibility in remedial opportunities, which need to be available for some of the in-school components. If a person taking a basic, intermediate or advanced level of education fails a math credit or a blueprint reading credit, right now under the current system they must go back and repeat the whole level. There is no opportunity for them to repeat that one core part that they have had some trouble with.

Opportunities to take prior learning and have it recognized as part of the apprenticeship in-school portion: When a student has some education from some other source or other country, give them prior learning assessment that will truly mean something and give them credit towards their apprenticeship and the ability to transfer credits from post-secondary education and/or apprenticeship back and forth so they can receive additional certification. In some cases, time-based training can be restrictive; not always, but it can be.

What we hear from the industry and in some cases labour is that the skills sets of our existing journeypeople — and this is in particular the industrial side, not the construction side of the occupation — are in many ways not keeping pace with the rapid advancements in technology. The in-school portion of apprenticeship does not and cannot keep pace with the technology change in the workplace unless we increase time. Time is always a factor, especially when the government's paying for it and now is looking for ways that they do not have to.

Matching the skills training being delivered in school with the practical component being gleaned at work is not always possible, and by that I mean the matching of skill sets. Has a basic apprentice, before they come to school, performed those functions prior to or shortly after taking that basic level of training?

The industry wants a greater say in what is taught and how it's delivered to improve the effectiveness of apprenticeship training. Currently under the model that we have, it takes a considerable amount of time to make those changes to the curriculum that's taught or the standard that's set.

The real key here is increased access to apprenticeship for youth. How do we get young people interested in exciting careers in apprenticeship fields? Conversely, how do we get employers that are interested enough to offer apprenticeships?

Continual, recognized skills enhancement learning for existing journeypeople must be made available. We used to, in this province, have a technician/technologist upgrading fund where we allowed people to come back and learn new skills. Right now that fund has dried up and we do not offer that type of training or opportunity to those people. In many ways it's left to them, to their own devices, to find ways to upgrade.

Apprenticeship reform issues which require emphasis: How do we keep curriculum current? How do you tie in-school closer to the on-the-job component? I think that's truly the work-and-learn model that needs to be enhanced. How do you attract youth to these exciting skilled occupations? Why I want to stress youth: The average apprentice in Ontario is 27 years of age. We still don't know why they don't come in straight out of high school.

How can you entice employers to increase the number of apprenticeship opportunities for youth? How will apprenticeship be funded by June 1999 in order to ensure that it does not overburden the learners and/or the employers? That's a concern.

Some recommendations: Attached to this you'll see a model that we have been working on with the school boards in this area, which is Windsor, Essex, Chatham, Kent and Lambton, which speaks to the Ontario youth apprenticeship program, which does require greater coordination but will allow a person to gain apprenticeship credits starting as early as the age of 16 while they're in high school, where they can do a semi-type co-op but they will get some experience with transferability. There is a model set in place through articulation agreements with different colleges, not just St Clair, where they can ladder into a college program and finish off their apprenticeship training.

The second part is a formal linking of apprenticeship in some cases to applicable technician and/or technology designations which can be offered concurrently to provide the competencies required for the future, such as the automotive manufacturing skills initiative which Industry Canada is funding currently at St Clair College.

Then, collaborative — meaning employer, labour, education and government — pilot projects, which require adequate funding to find and deliver training solutions prior to June. If there is reform required, what type of model will it be and what will it look like in the future?

Adequate funding for the establishment of centres for excellence to address the emerging and future needs of industry.

Capital funding is required to keep abreast of existing and emerging technology requirements.

Funding of professional development and exchange opportunities is required to provide necessary development of both full- and part-time faculty.

The flexibility between block release, day release and part-time evening needs to address not only the employers' concerns but also the apprentice/learner and education provider requirements for a quality learning experience. We are fearful that in the new model where an apprentice may have to pay for their own training we're going to see the disappearance of block release training or the type of training that currently takes place over a two-month period, eight to 10 weeks, because in many cases the burden is left with the learner and they may not be able to afford it. In many cases, I don't think they will be able to.

The in-school training costs in the future cannot be downloaded on to the existing grant structure — I speak in particular about the college but I'm sure my counterparts in the school boards would feel the same way — without an increase in both the operating grant and, if there is a tuition fee, that part for skill loans and grants. Ontario assistance may not be available or they may not qualify because of their earning potential.

St Clair College of Applied Arts and Technology is attempting to address the skill shortage needs through our centre-for-excellence-in-manufacturing proposal for the industrial side of the sector. This centre will provide the vehicle enabling a seamless transition from apprenticeship through post-secondary education to work, involving both full- and part-time learners. There is a real need to establish centres of excellence, not just in manufacturing but in construction, automotive and other occupations as well.

With that, I don't know if Mr McGee has any more comments, or if we can answer any questions for you.

1410

The Chair: Thank you very much for your presentation. We have significant time for questions, and I will start with the government caucus.

Mr Carroll: Jack and Dan, it's good to see you again. I'm a little confused. Maybe you can help me here. The previous two presenters both told us very emphatically: "There's nothing wrong with the system. Leave it alone." You started off your presentation by saying you support apprenticeship reform.

In the city of Chatham-Kent, as both of you know, we're dealing with a group of people because of an issue revolving around the apprenticeship issue. We know that in the town of Wallaceburg there's a desperate shortage of skilled tradespeople. We heard reference this morning to the fact that there are pages and pages of ads in the Windsor Star looking for skilled tradespeople. As a previous automobile dealer where we had apprentice mechanics all the time and could never get enough, as soon as we got them to the point where they were trained, large industry stole them from us because they could pay more money.

Everything I see in practicality out in the real world tells me the apprenticeship system that we currently have in place is not generating enough skilled tradespeople, is not attracting our young people who should be going into the skilled trades and have the talent to go into the skilled trades. Yet with the reform that we're bringing forward,

we hear group after group come forward and say: "Leave the system alone. It's working fine." You're educators. Do you think the system that we currently have is working fine to serve the young people of our province and the employers of our province?

Mr McGee: I think there are several answers to that question, because the discussion that we heard by the last two presentations was about Bill 55, which is an omnibus bill and includes a number of aspects to it. We have seen and are experiencing and hearing from learners, from industry and from labour about where apprenticeship, as it exists today, does need to be fixed. What we're offering today is an idea of some of the viewpoints which we have with respect to that, to reflect back what we have heard from people who are using the system.

One of my great concerns has to do with youth unemployment in this province and country. I believe we are not finding enough remedies to solve youth unemployment. We have too many people who are leaving the education system after grades 10, 11 and 12 and who are not coming back into education until they're in their mid-to upper 20s. As a consequence, the opportunity to have those people drive the economy and create taxes and wealth for the province and for themselves is diminished. We need to be focusing on the right kinds of skill and education that learners require in our society so that they can earn a very good income, that they can take a responsible position in society and they can drive our economy.

I believe apprenticeship is one of those vehicles, which has not been used adequately to that end. When we look at it there are concerns. We heard the discussion on tuition. We understand that a \$400 tuition will be charged. As an institution which is responsible for education in the post-secondary area, the funding unit per student has gone from \$5,200 in 1989 to less than \$2,900 per student today, and the increase in tuition hasn't come close to offsetting that reduction. As the federal government moved out of apprenticeship funding and transferred it to the province, we're concerned that we're going to see the same kind of erosion in output once the provincial commitment to a three-year freeze on apprenticeship ends.

Apprenticeship is very costly. The comment in this paper by Mr White with respect to the need for capital is a fundamentally important requirement to apprenticeship, especially in those trades where technology is a fundamental part of what they are doing, because technology has been changing so rapidly. Unless capital equipment is funded, we're going to see a problem where the right skill sets will not be able to be delivered.

Many of the people who are apprentices require some kind of income support because of where they come from. With the employment insurance changes that are coming, that income support is no longer available.

The indenturing of apprentices has been a sore point with industry for a number of years. If apprentices are not going to be indentured, they're not going to be guaranteed to come to whoever is providing the education, the training. That is a real issue for them because they need the income in order to do that. You heard Mr White speak

about the many hours that people work when they're trying to do an apprenticeship part-time. Most of our people, as you heard, are in their mid- to upper 20s, which means that they're probably parents, or in many cases single parents, so income is a very significant part of what they need.

When we're looking at apprenticeship, it is not a very simple thing to put your finger on, because it has so many aspects to it. The time-based requirement: People who already have the skills having to go through some large number of hours in order to achieve what they require is a significant disincentive to them and it's also a disadvantage to them economically and it's a disadvantage to the province economically. These are among the kinds of things that we are trying to identify so that some reason can be brought to bear as the model goes forward.

One other point that was mentioned by Mr White that I'd like to reiterate is the eligibility of apprentices for income support; Ontario student loans, for example, or federal loans, whatever funding is available. As people take more and more responsibility for their own income and are earning very little as it is, then the need for some sponsored assistance is fundamental to their ability to get an education. We have found through numerous studies that when people do not have the financial wherewithal to undertake an education, they're extremely disadvantaged and less likely to succeed.

The Chair: Perhaps we can entertain one more question and then you can respond and elaborate as required. Mr Duncan for the Liberal caucus.

Mr Duncan: The key recommendations you have, I take it you are acknowledging those are not part of this bill and they're issues that should be looked at. I do, however, want to go to the five points you've raised above. These are, "Apprenticeship reform issues which require emphasis." I take it these are the issues that you feel require emphasis at this point in time. In your view, does this bill address any of those issues which require emphasis to strengthen the apprenticeship program in Ontario?

Mr White: In looking at the flexibility that would be required to keep the curriculum current, there is some opportunity under the bill for that. For the remainder, I don't think there is a close enough tie.

Mr Duncan: The tie into school?

Mr White: Yes, the tie into school or attracting youth into new occupations.

Mr Duncan: Is that addressed, in your view, adequately in the bill?

Mr White: No.

Mr Duncan: Enticing employers to increase the number of apprenticeship opportunities: In this bill, which is the government's main plank in terms of apprenticeship reform, is that addressed?

Mr White: From the understanding I have of it, no, because it does not identify how they would do that.

Mr Duncan: There is a question about the funding as of June 1999 to ensure that it doesn't overburden the learners or employers, is that correct?

Mr White: Or the educational institutions, correct.

Mr Duncan: Then this bill does not address any of the major issues that you see in the area of apprenticeship reform?

Mr White: It addresses the issue of the possibility for flexibility when it comes to some of the curriculum.

Mr Duncan: But it falls short on four of the five areas that you've raised.

Mr White: In looking at it from here, yes.

The Chair: Mr Lessard.

Mr Lessard: First of all, I want to start out by congratulating St Clair College for their constant innovation and the partnership that you've entered into with Chrysler and CAW local 444 to introduce the electrical technician and technologist program which we heard about a bit earlier today. We heard about the success of that program.

1420

One of the things you mentioned, Mr McGee, that I agree with entirely is that there are skill shortages that you recognize and that we all recognize will continue in the future, and how is it that we encourage young people to engage in apprenticeship programs and how do we encourage employers to provide those opportunities for people? Even though we've heard that in the Windsor Star there are lots of ads for skilled tradespeople, we hear from a lot of young people that they want to take advantage of apprenticeship training opportunities but they don't find that they're available under the current system. I don't see that the system is broken, but the fact is that those opportunities aren't arising under the current system. You have taken some steps to try and address that. I'm wondering. There isn't anything in the present legislation that prohibits you from taking some of these innovative steps to try and address those issues, is there?

Mr McGee: No, I'm not aware of any. The biggest inhibition to apprenticeship is the biggest inhibition to co-operative education and that is the willingness of employers to fund the learner and also to make sure that the resources are available. Technology is changing dramatically and the amount of investment that we have to make to update our curriculum is phenomenal and there just isn't enough funding available in the system to continue to do that. So there has to be recognition, I believe, of the tremendous constraints that the education and training system has been under in Ontario for a good number of years and that we have to find a way in which to make sure we can provide the wherewithal for the learners to get the skills they need to drive this economy, because it really is about our future tax base. It is about people who have the innovation and the vision for the future of this province.

In this community of Windsor, Essex and Chatham-Kent, I can't help but be impressed by the number of people who have apprenticeship backgrounds who are doing phenomenally well as industry leaders and as civic leaders. I think that speaks to the value of apprenticeship and to what it teaches people and to what they become and

what we should be striving very hard to make sure they are able to become.

The Chair: Thank you very much. That's been an excellent presentation and I thank St Clair College for coming this afternoon.

INTERNATIONAL ASSOCIATION OF
BRIDGE, STRUCTURAL, ORNAMENTAL
AND REINFORCING IRONWORKERS,
LOCAL 700

The Chair: The next presentation I would call is the International Association of Bridge, Structural, Ornamental and Reinforcing Ironworkers, local 700. I'd like to welcome you, gentlemen. If you could, introduce yourselves for members of the committee and for the Hansard record. You have 20 minutes to use as you wish.

Mr Greg Michaluk: My name is Greg Michaluk. I'm business manager of Ironworkers local 700. With me today is Fred Marr. He's the president of the Ironworkers District Council in the province of Ontario.

I'm glad to be here. I'd like to thank those who got me on the list. I've been here since early morning and I've heard a lot of interesting comments, a lot of really good feedback that I hope is taken into consideration before this bill becomes final. I intend to give some background on who the Ironworkers are and what we do. I'm going to restrict my comments to three specific subjects as they affect the trade of ironworkers, those being skill sets, apprentice ratio and tuition.

It's ironic that the Ironworkers are following my good friends from St Clair College, because it wasn't too long ago that St Clair College, which was a training delivery agent for the ironworker apprentices, the in-school portion, came to me a couple of years ago and said that they could no longer be the delivery agent for the training of apprentices due to the cutback of transfer payments to their college that the government imposed on the colleges. Today we are the training delivery agent at our training centre here in Windsor.

A little bit of background on the Ironworkers: local 700 has been a chartered member of the International Association of Bridge, Structural, Ornamental and Reinforcing Ironworkers since 1946. We provide employers in the Windsor-Sarnia-London area with skilled tradesmen to perform a variety of tasks such as structural steel erection, machinery moving and setting, all types of conveyor installation, rebar placing for reinforced concrete, ornamental and miscellaneous ironwork, in-plant contract maintenance, as well as providing certified welders to perform all this work.

Our local union, Ironworkers local 700, is comprised of 650 active journeymen. We have 115 apprentices, 15 pre-apprentices, 87 retirees, for a total membership of 867. The average age of our membership is 42, which happens to be the lowest average age of ironworkers in Canada. These numbers reflect that the ironworker industry in

southwestern Ontario is proactive concerning apprenticeship, recruiting and training.

Local 700 has been involved with the formal ironworker apprenticeship program since its inception as a certified trade in 1967. Representatives from both the Ironworkers union and the employers have been active in working with the Ontario government to establish training standards and regulations for ironworker apprentices by consistently serving on PACs and other committees with the common goal of providing proper training and skill development for all ironworkers working at the trade.

I have been a member of the Ironworkers since 1969, having served the required apprenticeship and working at the trade until 1991, at which time I became a full-time officer of local 700. I have served as the Ironworker local apprenticeship committee chairman for eight years from 1981 through 1988 and am presently active with the provincial advisory committee of the ironworker trade as well as a committee member of the federal sectoral adjustment service that is presently working on standardized training criteria for ironworkers across Canada, the red seal program.

The proper training of future ironworkers is very important to the industry. Qualified, skilled workers are the industry's backbone. Change and/or reform, when made for the betterment of the industry, is both necessary and welcomed. Through my years of experience with apprenticeship training I have seen positive progression. However, today, what I see coming from Bill 55 is just the opposite. There is proposed language in the bill which will take the industry back, in my view, to when the workforce was generally composed of semi-skilled workers.

Hopefully what I have to present to you will help you understand my concerns.

The first issue I want to address is skill sets. At present the ironworker trade has training standards that have been developed over the years by industry people, both employers and tradesmen in conjunction with the government, of course. The training standards have been revised and updated by these same people to reflect the proper qualifications and training required to become a skilled journeyman ironworker. The training standards are taught in the classroom as well as on the job. None of the established standards and/or skills are stand-alone. The skills taught to the apprentice are properly intermeshed to produce a complete, qualified tradesman capable of performing any and all work functions required.

To piecemeal the skills required would definitely produce an inferior tradesman. The variety of skills and tasks required to perform work properly entails that the tradesman have the ability to use one or all or any number of skills as the job dictates. Allowing an apprentice to acquire skill sets as set out in Bill 55 would be denying him the ability and vision of understanding his complete trade. Most important of all, it would pigeonhole him or her into being able to perform only certain work functions with any degree of skill, thereby limiting his work opportunities as well as creating a less desirous worker for employers. There has to be a continuous flow to the

training, not stops and starts, which Bill 55 would produce.

1430

When employers order manpower from the Ironworkers' hiring hall, they want and expect a complete tradesman who is capable of performing any and all work functions efficiently. In my view, the present method of training accomplishes this; Bill 55 would not.

Briefly, I have a letter dated October 22 from the Ministry of Education and Training inviting me to a meeting in Toronto. I won't read the whole letter, but the pertinent part of it.

"The Ministry of Education and Training would like to hear the thoughts, concerns and opinions of the non-college training delivery agents. The topics of discussion will include the training delivery accreditation and the ongoing delivery of high-quality training."

MET is acknowledging that the quality of training given out now is of high quality.

The second issue is apprentice ratios: Removing apprentice ratios, to me, makes absolutely no sense at all. Again, the industry, the employers, employees and tradesmen in conjunction with the provincial government, through the PACs, have established the present ratios. The present ratios reflect the most efficient way to introduce and properly train new tradesmen into the workforce. Why would we deviate from this? Removing ratios will only dilute the skill level of the workforce and will also create negative health and safety issues. That would be naturally due to an increase of inexperienced workers on the job, and then it's a snowball effect. It would increase the cost of WSIB for the employer and it would result in an overall cost increase for doing business here in Ontario. That's not something I think anybody wants to see happen.

The third thing I would like to comment on is tuition costs. I don't want anyone in this room, especially the apprentices, to believe that tuition is not going to be a reality. I've heard comments today, throughout the day, saying that it's not contained in Bill 55. That's true, but it's a trick comment.

As the training deliverer of our ironworker apprenticeship, I have a signed agreement, as all training delivery agents have, with the ministry. It's signed by the director of the Ministry of Education and a district manager. At the back of this contract, which runs from September 1 to the end of April 1999 — I'll just read again the pertinent paragraph. "Terms of payment" — they go on to tell us the amount of money we're getting for the ironworker seats. Then the second paragraph says, "Payments will be adjusted to exclude those clients, both full- and part-time, identified to pay tuition costs."

Again, just to reconfirm my suspicions, I have a summary of a teleconference dated Friday, July 12, 1998, with the Minister of Education and Training. I have in front of me the minutes from that teleconference which I was involved in. They make about 15 or 20 points, and I'll read the pertinent ones.

Under the general messages it states, "The minister had announced that tuition for apprentices would be piloted

this September." Under "Tuition and financial assistance" it's stated that "Tuition would be based on the cost to the government, ie, approximately \$2,400 for eight-week blocks released at a per diem of \$58.64." Another point under that: "It is anticipated that apprentices would have to contribute from 10% to 30% of the cost."

The second point, which I find interesting, is, "A loan will be available to help apprentices meet this cost." There is already a recognition from the government that apprentices may not be able to afford this. The government knows this, and if we go on, they also have a draft on loans and grants, and they go on to establish how loans and grants will be given, even down to the fact that after a certain time period interest will kick in. That tells me in pretty plain language that there is going to be tuition to our apprentices, and I believe this is wrong. Tuition fees for skilled trade apprentices only serve to financially penalize a worker for trying to become a skilled, productive worker, which ultimately benefits all Ontarians.

An apprenticeship program for an ironworker apprentice is contingent on being employed. That's the key. Earning a living and learning a trade go hand in hand. The new recruit, who is assigned to employers via the local apprenticeship committee, in our trade serves a probationary period prior to becoming indentured. This allows the industry as well as the worker to decide if suitability to the trade is proper. The probationary period is at no cost to the government; in fact earning a wage and paying taxes benefits the government.

After an appropriate time period the apprentice is indentured into the apprenticeship program, understanding that there will periods of full-time classroom instruction. Many of our apprentices have families to support and all apprentices certainly have financial obligations. When the apprentice is required to pay additional monies through tuition, it will only add to the financial burden that presently exists for him or her. Remember, this same apprentice is in the workforce full time, with the exception of school periods, and remitting a good portion of his wages to the same place as everyone else, that being the government coffers in the form of taxation.

Both ironworker apprentices and journeymen in my local also have employer contributions made on their behalf to a pension plan from day one so that they are not a financial burden on society in the future. What I am trying to say is that the apprentice is paying for his training. Tuition is inappropriate, some type of fee in addition to what he's already paying. To additionally tax the apprentice in the name of tuition would only serve to discourage potential tradesmen from entering into proper training, thereby diluting Ontario's skilled workforce and creating more unskilled workers unable to attain full-time employment and good-paying jobs.

In summary, I'd like to say that having been actively involved with apprenticeship and training issues, I can only conclude that this proposed bill as written is not the voice of those experienced and concerned with improving skill training in this province. This is not an industry-driven document. Past practices of the industry, through

advisory committees, have indeed made positive changes to apprenticeship standards and regulations. Productivity and skills of properly trained workers have never been better in this province, and only because government has wisely listened to and taken direction from industry people. This is only common sense. Both employers and tradesmen have enthusiastically participated in and given direction to apprenticeship training from the beginning.

To see many years of hard work and progress be destroyed by Bill 55 is very disheartening, to say the least. To have this bill become law, with little or no input from the people who are the most knowledgeable, the industry itself, is unacceptable. Bill 55, as presently drafted, can only lead me to conclude that it is simply another money grab by the present government, with little or no regard for the people of Ontario.

These are my facts and opinions. I don't know if Fred Marr wants to comment any further. How much time have we got?

The Chair: You have about four minutes.

1440

Mr Fred Marr: I did have a few things to present but it's been pretty well done here. Only that local 700 here in Windsor, which covers Sarnia and London, is the leader in apprenticeship training as far as the ironworker trade goes; and as president of the district council, I would like to stress to you that we are located in Hamilton, Toronto, Ottawa, Sudbury and Thunder Bay as well as Windsor.

The message is the same across the province. We want the government to be a partner in training with us, all governments, and they have been since 1967 or 1968. Your partnership, your involvement, has to be financial, funding. You get more bang for your buck out of an apprentice than you probably do in any of the other investments you're involved in. You should continue. We should look to go to the next century with an expanding apprenticeship program.

I don't know that construction and industry should be in the same barrel. Maybe it should; maybe it shouldn't. That's for you people to determine or maybe for us to determine. The message across the province of Ontario from the ironworkers is the same message you've heard from Greg today.

The Chair: Thank you for your presentation. We've got just a little under two minutes. I'll leave that time for the Liberal caucus.

Mrs Pupatello: Thank you very much for coming. I enjoyed your presentation today. I have a question, however, for the parliamentary assistant. I ask if you could comment now and perhaps retract the comments you've already made on record about tuition, given the growing body of evidence that everyone, evidently, but the parliamentary assistant is aware that the whole intention has been to introduce tuition fees. So far today you're on record as saying it has nothing to do with the bill, the government has no intention of introducing tuition fees, and today we have more evidence that it's in government document background pages, it's in personal conversa-

tions with everyone who has been involved with the process. I'd like the parliamentary assistant's comment.

Mr Smith: I'd be pleased to make a comment, because that's in fact not what I said. I think the presenter himself recognized that tuition fees are not in the bill. He said that. I also said today that the minister is on the record as indicating tuition fees would not be implemented until such time as there's a labour mobility agreement with the federal Liberal government, which subsequently has withdrawn \$42 million from apprenticeship training. That's the issue, that's what I said to these people today, not what you suggested.

The Chair: Thank you very much for your presentation. The time has been consumed.

CANADIAN AUTO WORKERS, LOCAL 200

The Chair: At this point I call to the table the CAW, local 200. Good afternoon, Mr Hargrove. If possible, for the members of the committee and for Hansard, could you have the members at the table introduced.

Mr Buzz Hargrove: Thank you, Mr Chairman and members of the committee. Ron Jones is the president of the Canadian Auto Workers union's skilled trades council, representing about 20,000 skilled trades workers in Ontario, including many apprentices — not enough, but many; Ted Squire is a national staff representative with our union dealing with skilled trades issues; and Ken Lewenza is president of the CAW council, representing 215,000 CAW members across Canada. I'm Buzz Hargrove, national president of the union.

I appreciate the opportunity to appear before the committee. We met as a union with Mr Johnson in his office a couple of months ago and outlined to him our concerns. I'm not going to go through the individual concerns today. You have a copy of our brief. I believe, from all the reports I've received this morning coming out of Toronto and here, that the arguments have been made about the problems with this bill. I simply want to make a short statement and listen to responses and hear from the committee what they have to say about why we're in this mess we're in.

First, the lack of consultation: Never in my lifetime, and I've been around the labour movement, around the political movement, for a lot of years and dealt with governments of all political stripes, have I had the experience I've had in the last three and a half years with the lack of consultation on important issues facing working people and the people of Ontario generally that we have faced with this government.

Moving ahead with this legislation is just one more example of people who get elected, who somehow sense that not only do they have the power to impose their ideas on Ontario, but they've taken all the brains from the province and put it into 82 people who make up the government of the province. Some people challenge me a bit sometimes that I tend to think I know everything, and that's fair. But one thing people never challenge me on is the idea that I'm open to discussion and debate and

listening to people, and that's the problem we're having with what's happening here.

By any stretch or any measure, we have some of the most successful industries in the country and around the world in Ontario, and a major contributor to that industry has been the skills of our skilled trades workforce, whether it's construction trades or manufacturing or mining. In every sector of the economy of the province, the skilled workers have been a major contributor. Do we have a perfect model that we'd like to sell around the world in skilled trades training and bringing apprentices into the program and ensuring that our province is ready to meet the challenges of the new millennium? Of course not, and we're working on that.

We have with us here today a group of young people who are at Chrysler and what we refer to as a school-to-work program that was worked out with St Clair College, Chrysler Corp and our union, I believe a model. If this committee is serious about improving things in Ontario, it should have been calling us in before it ever started drafting any legislation, to say: "What's this all about? How does this fit? What does it mean for the future?" Because I believe it is the future. People with vision, people with understanding and caring and concern about the future: about the future of industry, about the future of young people, about jobs in our province. The late Yves Landry understood that, but we don't sense that out of Queen's Park at all with this legislation.

What we're saying here today is this bill should be scrapped. We should start sitting around a table like this with people who are in this room and others around the province who have a lot of experience with what's going on in the workplaces and have a lot of ideas about how we improve our workplaces for the future so we can remain number one in the auto industry, in the aerospace industry, in the electrical industry.

It's absolutely fascinating that a report just in the last few days talked about how Canada is falling behind in productivity growth. In the industries we're involved in, where you have a good skilled trades program, where the labour movement is involved, the employers are involved, government is involved working with us instead of against us and the academic world is involved, every one of those industries is beating the United States and beating others around the world in terms of productivity, and we're going to dismantle that. Give me a break.

Anybody who has any sense at all about what's happening in our workplaces — let me just give you the example of the auto industry. I can go through several of them and give you a lot of detail if you want. Canada is one of the most competitive auto industries in the world in terms of productivity, in terms of quality, in terms of cost. We are one of the most competitive industries in the world. What you're proposing here, not tomorrow but within 10 years someone will be back to fix the mess that we leave with this legislation, if people don't stop and listen.

What I'm proposing I guess is revolutionary with this government. That is, stop, put the brakes on, consult with

people who know, including industry. I was with the top people from Chrysler and Daimler this morning, the top people from Germany, and they're talking about taking our program and doing an exchange program with Germany, which is one of the leading countries around the world in terms of training young apprentices. They want to see what we're doing, because they're starting to drop behind. That's the kind of thing we should be talking about.

1450

What we need from government is support, including resources. But first we have to stop and listen. You have to listen to people who are involved and know what they're doing and spend their lives, like Ronnie Jones and Ted Squire and Kenny Lewenza and a lot of people in the back of this room here today, who have spent their lives building this province. This province is one of the most prosperous jurisdictions on the continent, and a lot of it happened before the people in this room or on this committee were elected. Give other people a little bit of credit for what has taken place here, and listen.

I'd be happy to answer any questions of the members of the committee.

The Chair: Thank you, Mr Hargrove, for your comments. I guess we're going to have about three minutes per caucus. I'll start with the NDP caucus.

Mr Lessard: Thank you very much for your presentation, Mr Hargrove. I agree with what you had to say. I think this bill is a framework for lower standards, lower wages, less funding and higher fees for apprentices. It's going in absolutely the wrong direction and it's going to lead to the fragmentation of skills for skilled trades workers.

I want to ask you what you think the impact of that may be on transferability or portability of skills when you talk about this exchange program with Germany. If we dismantle the system we have now, do you think that workers from Windsor, for example, would be able to go to Germany and have their skills recognized?

Mr Hargrove: No. What we would be talking about then is that they would be going to Germany to learn, but that won't happen. What will happen is what has happened historically and what we've fought for 25 years to change. We're starting to make some inroads with the corporations; this bill undermines that. Every time we have a problem, we will then use immigration to bring people in. When we have mass unemployment among young people, we will then reach out and bring in people from offshore.

With the level of unemployment we have and with the level of education we have among young people, for employers who aren't doing the training to say there are no skills around, given today's environment, there should be a penalty on every employer who isn't doing the training.

We have proposed many times that we have a grant-levy system much like the European countries that are successful in this area do. That is, you put money into corporations like Chrysler or others that are training

apprentices, that are reaching into the school system and working with the academics in training people, and those who aren't, who just want to pirate from them or bring people in from offshore, should pay a penalty. That's how you deal with this issue.

The Chair: To the government caucus.

Mr Carroll: Mr Hargrove, I kind of hesitate to ask you any kind of question. I'm going to take a shot and see, okay?

Mr Hargrove: I don't know why you would be, Jack. You come from a good town that owes its success to a lot of our skilled trades training programs.

Mr Carroll: I'll tell you something. The future of this province is totally dependent on our ability to create more skilled tradespeople. I believe that firmly, so I think we want the same thing.

The problem, Buzz — I want to ask you this question as sincerely as I can ask it, and I hope you'll answer it the same way. You made a comment about this being the greatest place in the world, and I agree with you. But on every single piece of legislation that this government has introduced since it got elected, you and your people have come forward and said exactly the same thing about it, and that is, "Withdraw the bill."

Now you're here again, and you might have a point today, but I'm having a little trouble believing, because you've been telling us the sky has been falling since we first got elected. Mr Hargrove, the sky has not fallen. The province, quite frankly, is doing quite well.

I would like you to tell me, when you've given us the same line on every single piece of legislation, why we should believe you this time.

Mr Hargrove: No, Jack, I have never said the sky is falling. What I said is that your group is destroying anything that's decent about the province —

Mr Carroll: Same thing.

Mr Hargrove: — and you're working very hard on that, but I never thought that would extend to undermining our ability to be a better and more productive province for the future.

I have talked to employers. Again, I talked to some top people with Chrysler this morning. They are not where you're at on this bill. I've talked to almost every leading industry spokesperson that we deal with — outside of the chamber of commerce and others who represent I don't know who, but they certainly don't produce anything in the province — and they are not on side on this bill.

On the other bills, on the labour bill, when you were attacking us, the business community jumped in bed with you, and I expected that. When you're attacking poor people and the underprivileged, they jump in bed with you. But here they are joining us and saying: "Hold on here. What are you doing?" If you don't listen to me, surely you should listen to those people who are joining with us on this issue.

The Chair: For the Liberal caucus, Mr Duncan.

Mr Duncan: Mr Hargrove, we talked earlier today. I put a question, and perhaps one of your colleagues from the skilled trades section can address it. That deals with

the competitiveness of our plants in Ontario and in Canada in general. You again referred to it that we are more productive, by and large, than others. We referenced a J.D. Power study that came out recently. In your view, will this bill undermine that competitiveness vis-à-vis not only European partners that you have now but also our competitors, and are there things that we should be looking at to improve the competitiveness? What are those issues that we ought to address?

Mr Hargrove: Let me just put it in perspective if I can, and then some of the committee may want to add to it. Every major model launch — I could use this whether it's the auto industry or the aerospace industry. If you see a plane outside that's representative of Bombardier and the confidence they have in our workforce in Downsview, Ontario — they launched the Global Express, which is "the" executive jet. This morning's paper reported it just received regulatory approval in the United States. They have already sold 80 of them before they even approved it, and they called on the Canadian workforce in Ontario to assemble it. That is the most complex part of building the plane.

Yesterday I was in CAMI with the president of General Motors, the president of CAMI Canada, the president of Suzuki, as we launched another new model in this facility that Suzuki says their future depends on.

In Windsor here, Chrysler, as it looks to the future for its minivan, the main minivan is built in this plant here. For General Motors' lead plant on their new truck they selected Oshawa over five other locations in North America. Every time there's a mandate for a new product, if they want to ensure it gets out there and out there properly, with good quality, good productivity, they put in the Canadian operations.

If you understood the complexity — I'd invite the committee members. I can arrange within an hour a tour of the Chrysler, General Motors or Ford facilities in the city of Windsor or anywhere in the province. Go in and look at them and look at the role the skilled trades workers are playing.

When you train an electrician today, it's about electronics. It's a very broad and in-depth thing that's changing almost daily. So first you need a good academic base, and this undermines even that, but you also need a lot of theory, a lot of practice. That's why we have designed this school-to-work, work-to-school program, which we think a lot of companies are going to buy into. If you undermine that, you don't harm what we have in our plants today, but when you start looking at future models and future key launches, the same industries making those decisions and putting them in Canada today have other choices around the world, and that's where they will end up.

Mr Duncan: So this could directly cost us jobs?

Mr Hargrove: Absolutely. It will cost us major mandates for a very important part of manufacturing for this province for the future. There's nothing political about this. This really is about the reality and the strengths of our province. If you take the auto industry out of this

province throughout the 1990s when we were in a major recession, this province would have been in a depression; this country would have been in a depression. When the industry in the US was laying off thousands, in Canada our plants were all working. Why? Basically because we have the skills to do what others on the continent can't do.

The Chair: Entertaining as always, Mr Hargrove, and the time has expired. Thank you very much; we appreciate it.

With that, I would call on Reko Tool and Mould. Is there anyone from Reko Tool and Mould in the room?

If that's the case, perhaps I could declare about a 10-minute recess. That means we'll be back here at 3:10.

The committee recessed from 1500 to 1514.

The Chair: I'll make one call. Is Reko Tool in the room?

We're going to have to skip that presentation for now. If they show up later, we'll make time for that.

We move to the next presenters, the Carpenters' District Council of Ontario. I would call on committee members to return to the table, please.

CARPENTERS' DISTRICT COUNCIL OF ONTARIO

The Chair: Welcome and good afternoon, sir. If you could introduce yourself for members of the committee and for the Hansard record, and you have 20 minutes to use as you wish.

Mr Bud Calligan: My name is Bud Calligan. I'm the secretary-treasurer of the Carpenters' District Council of Ontario. I'm here representing over 14,000 skilled general carpenters.

Mr Duncan: On a point of order, Mr Chair: I'm the only committee member here. There's not a government member —

The Chair: I see other committee members in the room. There is quorum in the room, so with your permission — is this OK with your presentation?

Mr Calligan: Yes, fine.

The Chair: Thank you.

Mr Duncan: I recognize the parliamentary assistant is here, but there are no members of the government side of the House here.

The Chair: Mr Duncan, yes, I appreciate your comment, but Mr Smith is a member of this committee, and hopefully within the sound of my voice there are other government members. Nonetheless, they have a responsibility to be here, and we could proceed. Thank you. Out of respect for the presenter —

Mr Duncan: Point of order. Is there a quorum?

The Chair: If Ms Papatello was in attendance, she's a substituted member of this committee and that would constitute quorum.

We'll have another five-minute recess and I'll ask the clerk to see if we can dig up the members. Thank you.

The committee recessed from 1515 to 1519.

The Chair: We will resume. Now that some of the committee members have joined us, with respect, the

presentation here is the Carpenters' District Council of Ontario. If you could introduce yourself again for members of the committee, I'd appreciate it.

Mr Calligan: My name is Bud Calligan. I'm the secretary-treasurer of the Carpenters' District Council of Ontario. I'd like to thank you for the opportunity to make my presentation today. Sitting next to me is Jim Caron, the business manager of the carpenters' local here in Windsor.

The Carpenters' District Council of Ontario represents over 14,000 skilled general carpenters, drywall, acoustic and lathing applicators, floor covering installers, pile-drivers, and over 1,000 construction apprentices. I am a carpenter by trade, having served my apprenticeship in Ontario and obtaining my certificate of apprenticeship with the interprovincial standards, red seal in 1973. I have worked my way up through the trade, working in the positions of carpenter, foreman, assistant superintendent, and finally project superintendent, obtaining my certified construction superintendent certificate from the Ontario General Contractors Association.

As a certified construction superintendent, I know the value of a good, well-rounded apprenticeship training system and its importance to the construction industry. I know the value of a good apprenticeship system to the apprentices. An apprentice who receives the proper and complete training in an apprenticeship program can move up the ladder to a higher, more profitable career such as foreman, superintendent, project manager or estimator. Without a proper, well-rounded and complete trade apprenticeship, those doors will be closed to most apprentices.

Ontario currently has one of the best apprenticeship training systems in the world. The high quality of our skilled tradespeople is recognized around the world. If Ontario and Canada are to remain competitive in our global economy, we must not compromise the quality of our apprenticeship system; we must continue to improve it. Bill 55 will not improve the quality of Ontario's apprenticeship system. It will seriously compromise it.

If we are to encourage our youth to consider apprenticeship as a viable career option, we should be raising the standards for entering apprenticeship, not lowering them. We should be raising the professional recognition for completing an apprenticeship by having more compulsory trades recognized, not introducing skill sets that will lead to specialized skills, no trade certification, lower pay and fewer long-term job prospects. We should be encouraging national standards and curriculums, the red seal program, and portability of trades from province to province, not heading in the opposite direction.

We have a moral obligation to the young people of Ontario not to dismantle a proven system that has served us well for decades. We have a moral obligation to the young people of Ontario not to mislead them by encouraging them to enter an apprenticeship system with promises of high pay and rewarding careers when in fact we intend to flood the marketplace with apprentices by doubling their numbers and deregulate the trades by introducing skill sets. These things will lead to low pay,

low- or single-skill jobs, few completions of a full trade apprenticeship, high dropout rates, high unemployment and dead-end jobs. These are some of the things that will happen if Bill 55 is passed in its present form.

Few would dispute that the present act needs some changes to it, but Bill 55 is a major departure from the Apprenticeship and Tradesmen's Qualification Act that is in place now.

The provincial advisory committees, including the carpenters' PAC, in the past were responsible for keeping curriculum and standards up to date and recommending changes to trade-specific regulations. For the most part, the carpenters' PAC has fulfilled its mandate by keeping the carpenters' curriculum and standards up to date. However, almost all of the recommendations from the PAC with regard to trade-specific regulations and improvements for the trade in general have been ignored. The provincial advisory chairs and co-chairs have been meeting with the ministry for over two years regarding changes to the apprenticeship act. The PACs are supposed to be the industry bodies that advise the government on apprenticeship, yet none of their recommendations have been put into the new act.

The construction industry has some unique characteristics and differs from other sectors served by the apprenticeship system. We are a major employer of apprentices, and our well-being depends on having a good apprenticeship system. We were told our concerns would be addressed, yet they have not been.

We have a new act that is very vague and open to interpretation. We have been told that many of our concerns would be addressed in the regulations, yet we have had almost no input into the regulations, have not seen a draft copy, and now have found out that there will not be any trade-specific regulations, only policy. We have grown very distrustful of the whole apprenticeship reform process.

Bill 55, general observations and comments:

(1) The purpose clause: Bill 55 is a major change in the philosophy of apprenticeship training in Ontario. First, it changes the orientation from training in a complete trade or occupation to learning skill sets. Second, it puts an emphasis on economics over other important issues. We don't think this is good for Ontario from a public policy perspective.

The results of apprenticeship training are not solely economic, and the driving force for change to the system cannot only be economic. There are other important criteria and benefits from an effective apprenticeship system. First and foremost, the act must be oriented on quality of training. Second, if we accept that there are economic benefits of apprenticeship training, we should also accept and include in the purpose clause the benefits of worker safety, consumer protection and environmental safety. Without the inclusion of these essential elements, one would question the intent of Bill 55.

(2) Provincial advisory committees: One of the key points made in the initial consultation paper on apprenticeship reform was the recognition that a one-size-

doesn't-fit-all philosophy would guide the Ministry of Education and Training's approach on this issue. Bill 55 fails to recognize the differences that exist not only between trades, but also between sectors. Since the beginning of the apprenticeship reform process, the construction industry has been asking for more control over decision-making and policy-setting on matters that affect our sector. Bill 55 does the exact opposite of what the construction industry asked for.

Prime examples of this can be found in sections 3 and 4 of Bill 55. Many of the functions of the director of apprenticeship should be the responsibility of the provincial advisory committees from the former act or industry committees in Bill 55. As the experts in a trade, the PAC should set the curriculum, training standards and examinations, for example. They should also set the criteria for determining eligibility for training delivery agent status. Further, the PAC must have a more direct influence on determining whether a trade should become compulsory, and over ratios and wage rates.

It has been disappointing for the past number of years that many provincial advisory committees have been dormant, the result of government interference. This certainly brings into question the government's commitment to PACs when they are not mandated by legislation.

A major criticism of the previous act was that PACs were only advisory in nature. This shortcoming has not been addressed in Bill 55. In fact, it appears that the new industry committees will have even less influence than their predecessors. One would not expect that a government that espouses less government involvement in our society would put forth legislation that centralizes control over apprenticeship and training matters into the hands of a single person, the director of apprenticeship, and takes it away from the experts in the field. The relationship between the provincial advisory committees and the minister must also be clarified and strengthened.

Section 4 of Bill 55 also requires further clarification. In addition to giving the provincial advisory committees enhanced powers, the construction industry has asked for consideration of sector councils that would advise on sector-wide issues. While there appears to be recognition of this in section 4, there is confusion regarding intent, where the bill states in subsection 4(1), "The minister may establish a committee for any occupation or group of occupations to perform the following functions." There is a clear need to differentiate between specific trade issues, PACs, and sector-wide issues, industry committees or sector councils. This is particularly true in the construction industry.

The apprenticeship system in construction should be further enhanced by the creation of a construction-sector advisory council. This could be particularly beneficial in assisting all levels of government in dealing with a number of issues. These would include enforcement; the establishment of new trades; linkages to secondary schools; funding allocations; human resources needs, including youth apprenticeships; and promotion of the red

seal program and national and provincial standards and curriculums.

(3) Acquiring a trade versus learning skill sets. Clearly, the most disappointing aspect of Bill 55 is the move away from trade certification to skill set certification. In fact, the word "trade" only appears in the act once as part of the definition of an occupation. Experience in the construction sector demonstrates that those with the most limited skills base find the most difficulty in obtaining work. Bill 55 will lead to a flooding of the construction marketplace with apprentices who have limited job skills and limited job prospects. We will not be able to continue to be world leaders and meet the demands of the economy under such conditions.

Also related to this matter is the issue of compulsory designation of a trade versus restricted skill sets. Bill 55 requires a transparent and clear process for determining how a trade may become compulsory or restricted. Once a process has been established, it would then be up to the provincial advisory committee to determine if a particular trade met the criteria for compulsory or restricted designation.

There are important public policy reasons for regulating trades and in making them compulsory. The compulsory nature of trades represents the best interests of the training culture, and it is also extremely important in safeguarding the health and safety of workers and for consumer and environmental protection. In the construction sector, workers who are not properly trained in the safe and efficient operation of equipment and machinery, for example, pose a safety threat not only to themselves but to their co-workers and the general public. Bill 55 is also silent on the fate of the current compulsory certified trades.

Under Bill 55, anyone would be able to advertise themselves as an electrician, for example, and the consumer would be left vulnerable with respect to the kind of work being performed. It is important for a tradesperson to fully comprehend the entire trade in order to understand the consequences of any actions they may take. There is ample evidence that when governments take a "consumer beware" approach, there will be a risk posed to the public. Recently, we have seen this in dramatic fashion in the trucking industry, which forced the government to require compulsory training and certification with respect to maintenance.

Further, we fail to understand how breaking up the trades and their industry-developed and recognized standards in any way assists in labour mobility, not only within Ontario but nationally and internationally.

There are other problems associated with the introduction of skill sets to Ontario's construction industry. The construction industry in Ontario has evolved around the concept of trades. Our contractors bid for work on their area of expertise or trade. An electrical contractor bids on electrical work. The mechanical contractors, bricklayer contractors and elevator contractors bid for work in their particular areas of expertise. Similarly, bargaining in the construction industry is done on a trade-

by-trade basis. The potential for a major destabilizing effect on construction is very real under Bill 55.

From this point on, I'm going to summarize my report so that I can leave some time at the end for questions.

Ratios and wage rates are another major concern of ours. The employer-employee and apprentice relationship: We're disappointed to see that stuff in the act. Enforcement; letters of permission.

1530

Conclusion: The construction industry in Ontario has thrived under the current Trades Qualification and Apprenticeship Act. It has been recognized as a world leader in apprenticeship and skills training and for meeting the demands of Ontario's economy. We cannot afford to jeopardize this outstanding record of achievement without being prepared to suffer the consequences.

As a labour market partner who has helped develop Ontario's skilled construction workforce, we have been greatly offended that more input from the construction industry was not accepted by the government on how to make our apprenticeship system better. A great deal of time, effort and expense was invested to convey to the government how to use the successful construction apprenticeship system as a model for others to emulate. If Ontario's construction industry is to continue to meet the demands of our economy, we must have the tools to do so. Apprenticeship is the lifeblood of the construction industry; we should be enhancing it, not dismantling it.

With regard to recommendations, the Carpenters' District Council of Ontario recommends that Bill 55 not proceed, as there are too many questions about how the legislation will negatively impact on the construction sector. The current legislation has served the construction industry well. The Trades Qualification and Apprenticeship Act is generally a very sound piece of legislation. It could use some minor refinements, but this should only be done with proper consultation with the construction industry. Should the government not accept this advice, Bill 55 should not proceed to third reading without the completion of the regulations. As Bill 55 is heavily dependent on regulations, the construction industry must be satisfied that the shortcomings in Bill 55 can be adequately addressed in regulation. We suggest a concurrent process of developing the regulations along with amendments to Bill 55 to ensure that both meet the needs of Ontario's construction industry.

I'll briefly summarize a couple of the other points. The purpose clause needs to be amended. References to the skill sets, which is a major concern, should be removed.

This report is also endorsed by Brent Stewart, who is the chair of the carpenters' provincial advisory committee and vice-president of Martin-Stewart Contracting Ltd. That concludes my report.

The Chair: Thank you very much for your comments. That leaves us a couple of minutes per caucus. I'll start with the Liberal caucus, Mrs Pupatello.

Mrs Pupatello: Thank you for your presentation today. I'd like to direct my questions, if you don't mind, to the parliamentary assistant and ask him specifically to address

the issue of current compulsory certified trades. What happens to that certificate?

The second question is on behalf of the students who were in the room today, some of whom may still be here, who asked specifically what happens to those who are currently in an apprenticeship program. Will they as well be affected or is it something that would be grandfathered?

Mr Smith: I can answer the second question first. Yes, they will be grandfathered. I'll have to seek clarification from the ministry on the first question.

Mrs Pupatello: Is our time up?

The Chair: No. If you wish, we would ask the staff to get to Mr Smith. If you'd just close out your questioning.

Mr Duncan: I have one.

The Chair: Yes.

Mr Duncan: This is to the parliamentary assistant as well. One of the recommendations that has come forward is that you simply not call this bill for third reading; that is, let it die on the order paper. In light of the fact that we can't seem to identify anybody who supports the bill, would the government be prepared to, if not withdraw the bill, let this die on the order paper without third reading?

Mr Smith: As Mr Duncan knows, this committee is running under the direction of the Legislature and a motion that has been put forward. We have four days of public hearings to go through. We're hearing some very strong input in terms of the bill that's before us. I suggest that we should allow that process to continue, and continue the dialogue that has been going on for some two years now. There have been some very specific issues raised over the course of the past two days that I can assure you are being conveyed to the Minister of Education and Training.

Mrs Pupatello: That sounded almost like a yes.

The Chair: Thank you. Speculation for later.

Mr Lessard: We've certainly heard a great deal of criticism about Bill 55 so far, and we're not even through the second day. I don't suppose it's going to be much different in Sudbury tomorrow or Ottawa the day after that. It has yet to be seen how the government is going to deal with the recommendations that have been made by a great number of people.

One of the things the government likes to use as a means for promoting this bill is to say that the current system isn't working because we have shortages of skilled tradespeople in various sectors. I don't know if that's the case as far as carpenters are concerned, but they're saying we need to basically throw out the old system because the old system wasn't accommodating the needs of employers or young people as apprentices. I'd like to know what your response is to that.

Mr Calligan: There may be shortages in some sectors. For example, I understand there's supposedly a shortage in tool and die. There is no shortage in construction. There is a long waiting list in most local unions for apprentices. For example, my home local union of Hamilton has probably 200 applicants waiting to take an apprenticeship. This year has been fairly busy in construction in southern

Ontario. This year they will have taken in over 15 new apprentices in one local union alone.

In reality, in the construction industry we can't simply open the door and say, "We're going to double the number of apprentices." First we have to double the number of jobs. There are locations in this province, northern Ontario, many of the areas up there, that are still facing 50% unemployment. Southern Ontario is very good right now, and the number of new apprentices that are taken into the construction industry will be reflected in it this year.

The number of apprentices coming into the trade must be regulated by the industry, not simply by saying that we're going to double the number of apprentices, when there are no meaningful jobs for them.

The Chair: For the government caucus, Mr Smith. Mr Froese also has a question, if you want to share your time.

Mr Smith: Just quickly if I may, Mr Chair. The issue of letters of permission, which is captured I believe in section 9 of the bill, certainly has been an area of contention, which you addressed in your presentation in terms of the provisional approach that has been taking place in the past. I've been advised that the new language contained in Bill 55 actually strengthens that. Is that your opinion as well or do you find yourself —

Mr Calligan: The problem is that there's no enforcement in Bill 55. There has to be some method of ensuring that there is compliance with it, that somebody doesn't simply ask for a letter of permission when there are no grounds for it. As I said, it's normally reserved for when someone comes in and is awaiting recognition of their trade papers from another country.

Mr Smith: In your opinion, the language as presented in the bill isn't strengthened enough to remedy the problems that we already know exist with respect to letters of permission.

Mr Calligan: No.

The Chair: Thank you very much for your presentation.

Mr Froese, do you have a quick question?

Mr Froese: I'll stand on my time. Thank you.

CANADIAN AUTO WORKERS, LOCAL 1973

The Chair: At this time the committee would call CAW local 1973. Thank you very much for joining us this afternoon. If you could, for the members of the committee and for the Hansard record, introduce those present at the table.

Mr Bert Desjardins: To my right I have Nick Dzudz, president of CAW local 1973. He's an excellent supporter of the skilled trades within our local. On my far left I have Greg Myers, a skilled trades representative at the Peregrine plant. He's been in the skilled trades program at General Motors for 19 years and he was trained in General Motors through an apprenticeship program. To my direct left I have Mark Desjardins, a skilled trades representative at local 1973, the GM transmission unit. He's also the skilled trades master chairperson for

General Motors of Canada. He negotiates for all GM skilled trades in Canada, and that includes 2,000 skilled tradespeople in Oshawa, 1,500 in St Catharines, the GM plant in London, 500 here in Windsor, and the skilled tradespeople in Ste Thérèse.

1540

Before we get too far into the brief, I'd like to thank the opposition parties for pressing the government to hold hearings in Windsor. I find it unbelievable that the government wouldn't come to Windsor, because — and I've been hearing a lot of comments on tool and die makers — the last numbers I read were that Windsor and Essex county area contains 18% of all the tool and die makers in Canada. Although it's claimed there are shortages of tool and die makers in the Windsor and Essex county area, we've got 18%. That's a significant number in Canada.

I've heard comments that tool and die maker apprentices are hard to come by. I'll tell you something: I haven't seen one ad in the Windsor Star for a tool and die maker apprentice. I would challenge anybody who says there are no apprentices who want to take a tool and die apprenticeship in Windsor and Essex county to put an ad in the Windsor Star. I will say to you right now that you will have as many applicants as you can handle paperwise. It wouldn't surprise me if you had 5,000 to 10,000 applicants on the list before you run out.

Now I'll start my brief. This brief is being presented on behalf of the members of CAW local 1973, which is comprised of nearly 2,000 retirees, 2,200 production workers and more than 500 CAW journeymen and journeywomen. Our members either were or are employed in the city of Windsor by General Motors or Peregrine. The first thing I want to do today is thank the committee for allowing me the opportunity to make this presentation on Bill 55, An Act to revise the Trades Qualification and Apprenticeship Act.

The history of skilled trades at the Windsor GM plants: The Windsor GM plant was first built in 1919 as Canadian Products Ltd, a division of General Motors. From its beginnings, management at the plant recognized that some jobs required skill training. When the union was first organized at the Windsor plant in 1937, addenda to the contract were recognizing the assets of the skilled trades by means of higher wage rates and separate classifications. The UAW skilled trades program was negotiated into the GM-UAW master agreement in 1953 and has been built on and improved up to this present day.

CAW standards: Our standards are quite clear and are contained in our contract language. To be hired into the GM Canada plants as a journeyman or journeywoman, applicants must prove (a) that they have worked for a minimum of eight years at the trade that they are applying for; or (b) that they have completed a four-year apprenticeship comparable to GM-CAW standards. These standards have been refined for over 60 years at our workplace and have withstood the test of time.

At various times when we had large amounts of hiring or whatever, management tried to sneak people in or was

successful in bringing people in without meeting the requirement of eight years at the trade or the four-year apprenticeship comparable to GM-CAW standards. We told them not to bring them in but they brought them in, and then months later they were crying to us, "What are we going to do?" You know what we told them? "You're going to live with them now." We don't have those problems any more. They go by our standards.

Apprenticeships as the foundation for success: At the present time the Windsor GM transmission plant is the most technologically advanced transmission plant in the world, having completed a major changeover in 1998 that started in 1993. Most, if not all, of the new machinery is controlled by computers; they're CNC-controlled. Although the workforce is aging and all skilled tradespeople had worked in the plant a minimum of 10 years, the experienced workforce was able to complete most of the changeover work without any outside help, except when time constraints were an issue. Much of the reason that our skilled tradespeople were able to adapt and propel this plant to the cutting edge of computer industrialisation can be traced back to their having the adaptable skills gained through their apprenticeships when computer controls were non-existent.

Journeymen and journeywomen and new technology: The Big Three auto plants of today are so technologically advanced that whenever new tradespersons are hired, they will go through a learning curve. This is because the jobs of the trades today are so complex that even moving within the plant to different areas usually requires learning different technology. With properly trained journeymen and journeywomen, the time to adapt to the new work requirements is minimal with respect to most jobs because the tradesperson already has a clear understanding of the basics, and troubleshooting experience.

Attack on mobility and employability: Properly trained apprentice graduates can confidently move to new jobs, knowing that having served bona fide apprenticeships, their skill will be recognized and accepted. If Bill 55 is enacted, people who attain the proposed skill sets and then find the doors to many of the desirable jobs they covet closed because their training isn't encompassing enough will blame the government, the school system, employers and possibly even unions.

CAW has negotiated preferential hiring rights within General Motors. What this means is that production workers laid off from General Motors in St Catharines or Woodstock or Ste Thérèse or London or Oshawa has the right to be hired before a new production worker is hired at the Windsor GM plant, or vice versa, by seniority. GM skilled tradespeople are also covered by the preferential hire language, but only within their own trade. A laid-off tool and die maker has the right to be hired before a new tool and die maker can be hired, a laid-off electrician has the right to be hired before a new electrician, a steamfitter to his trade etc. The deskilling of skilled trades through skill sets rather than bona fide, well-rounded apprenticeships may negatively impact our union's ability to protect these rights of our members.

Most of our tradespeople at some point or another are offered a chance to move from their trade to a supervisory or engineering job. The reason our tradespeople are offered these promotions is because management recognizes the expertise and problem-solving skills a well-trained journeyman has to offer. By promoting limited training programs through skill sets, this government will limit people's opportunity to advance to these positions and they will also be contributing to shrinking the pool of potentially effective future engineers and supervisors.

In our plants right now you do not necessarily need to be an engineer to be a process engineer or whatever. A lot of our tool and die makers have moved up to be what's called a process engineer and some of our millwrights did move up to be industrial engineers. Actually, a guy who has worked on the floor for a long period of time more often than not has a superior ability. He can recognize. He has performed these jobs; he has seen how it's done; he can handle that.

Negative impacts on business: We in the labour movement find it ironic that the Big Three are continually trying to expand the duties of some skilled tradespeople by trying to circumvent agreed-to lines of demarcation, thereby eliminating other trades, while this skill sets proposal could have the opposite effect by creating more classifications, complexities and inefficiency. Although we're confident the Big Three have the ability to compete successfully in the global market, we see no reason why this government of the day should introduce legislation that will dry up this pool of future tradespeople that the corporations can draw from.

Why this direction? I will say that I ask myself this question. I know these apprenticeships have been around for a lot of years, that they haven't been changed or altered, but I can't see why you're going in such a direction as this. This is the only conclusion I could come to. On apprenticeships I believe, as Brother Hargrove said earlier, that there should be a grant levy system. There have been attempts in the past. I've followed this for a lot of years — I forgot to introduce myself. I've been in the skilled trades program for 26 years with General Motors and I went through the apprenticeship at General Motors. Although I did start two apprenticeships on the outside, it took General Motors to finally finish the job for me.

On apprenticeships, at different times the government has paid for the first year or the second year and then stopped the funding in the third and fourth years, and then a lot of companies have stopped training. Actually, they've dropped that person in the third and fourth years. But the most effective thing seemed to be when the governments were paying for a portion of the training. I guarantee that would put the apprentices back in the system, if business is saying they need more apprentices. The only thing I would caution on that is I don't believe you should be just paying the companies for the first and second years; I think it should be an equal amount right to the end, and if they don't graduate or they don't try to complete apprenticeships right to the end, maybe they should be paying back for the first and second years.

1550

I'll go back to the brief now. Since neither the Big Three, which directly employ 50,000 workers and indirectly supply 250,000 jobs, nor the CAW, which represents over 200,000 members and which is opposed to this legislation, is steering the government in the direction of skill sets and away from bona fide apprenticeships, it can be assumed that it is either small employers or government mandarins who have steered the government on their present course. The advantage to small business in promoting skill sets is that by limiting the training of their employees to only a small portion of the skills that are required to be a journeyman, the employee will find it more difficult to move on to a better-paying job where fully trained skilled trades are required. Thus the employer won't face the threat of losing as many employees. Because the employee's skills are not as broad or transferable, eventually downward pressure will be brought to bear on the wages and benefits of these trapped employees.

Conclusion: Failure of the government to consult either big industry or labour prior to writing Bill 55 smacks of arrogance. Speaking on behalf of local 1973, we don't see Bill 55 as a positive step, and therefore we urge this committee to recommend that this bill be killed and that the government recommit to apprenticeships, with the goal of resurrecting the previous federal and provincial apprenticeship funding and schooling commitments and promoting bona fide apprenticeships which will be universally recognized by employers and unions everywhere.

The Chair: That leaves us a couple of minutes per caucus. At this time we would start with the NDP caucus. Mr Lessard.

Mr Lessard: Thank you very much, Bert. I think you're bang on in your speculation that this is an attempt to drive down wages and will lead to a lot of people ending up in marginal employment situations after having been convinced that somehow they're going to be involved in apprenticeship training. One of the reasons that the government says they're doing this is to deal with the crisis in youth unemployment and that if you deregulate labour markets, the companies are going to provide training and create jobs. I wonder if you think that is going to happen, based on your experience.

Mr Bert Desjardins: My brother wants to answer.

Mr Mark Desjardins: What's happening is that in our plants in General Motors Corp, the technology is so great right now that it's ongoing training all the time. There's no way, if you start getting to single skill sets, that we can bring these people into the plant, because they'll be so far behind it will make us uncompetitive in the markets we have to work in nowadays. We'll never be able to bring these people in. We'd just have to get them trained too much to be up to the standards. I don't see how we could do it; I really don't.

Mr Bert Desjardins: I would like to add one thing. I don't care who you bring into the plants right now, specifically in the electrician trade, they are not going to be qualified enough. We are going to have to train them.

That's how technologically advanced the plant is. It's not like the basic electrician trade used to be.

We have construction in our plant and we have maintenance. The electrician who comes in from the outside can be a construction guy, because the construction is similar, but now the machines are all computer-controlled. It's not some of them; I don't know that there are any production machines in that plant that are not controlled by computer. Computers, just like the logic that's going on inside that box that you don't know, and it's doing it all for you — the thing is, when the machine goes wrong, you have to start looking at what's actually going on in that box. It's PLC, programmable logic control. You have to think logically. You might think we all think logically, but you have to start thinking like a computer to do this stuff, and we have to train everyone who comes in that plant. That's the way it is.

Mr Lessard: Some of us think logically.

The Chair: For the government side, Mr Carroll.

Mr Carroll: Mr Desjardins, you made reference at the beginning that you defy anybody to find an ad in the paper asking for a tool and die apprentice, yet if there was one you figure maybe 5,000 or 10,000 people would apply to it. Yet there are many ads in the paper asking for journeymen tool and die makers. We heard about pages and pages of them. If we have a need for journeymen tool and die makers and we have all these young people who you say would love the opportunity to jump into a tool and die apprenticeship, then what's happening? Why is it not happening that those companies that need those journeymen, and the only way they can get journeymen is to train them through an apprenticeship program — why do we have this seeming gap there between the need to have journeymen, the number of young people who want to be tradespeople, but nobody wants to train them? Is the current apprenticeship program really working when we have that gap?

Mr Bert Desjardins: The apprenticeship program is working but what happens is you need to train even more apprentices. You heard this morning about how these businesses are constantly expanding in Windsor. I'll tell you, if we were like most cities — probably they only have, I don't know, 20 or 30 tool and die shops — we'd have such an excess of journeymen it's unbelievable. But because we have probably over 200 of what they call jobbing shops — they call a tool and die shop that builds the details or dies or whatever a jobbing shop. Because we have such a large portion of tool and die shops in the Windsor and Essex county area, there is a large demand for journeymen.

What happens is, as the people in these jobbing shops get older, they move on from the trade sometimes. They'll move into engineering or whatever or they'll move into supervisory jobs. What does happen a lot is they'll move into our plants, into the Big Three plants, and they won't necessarily always move into the skilled trades. They'll even move into the production, and I'll tell you why that happens. They tell you about these great wages they pay out there, but they're not always so great. If they make

just as much in the Big Three on production and their benefits are greater and their holidays are greater, where do you think they're going to? This is a lot of it. If those places pay them a good rate of pay and they treat their employees well, they will do a better job of keeping their people.

Mrs Pupatello: Thank you very much for your presentation. I enjoyed that. Some of the things you were asking, like, "Why this direction?" is a question that was probably the most common today, because everyone is asking, from the business entrepreneur to individuals who work for them. We don't know who is supporting the bill. One that we thought might, based on an earlier submission, didn't show up, so it's quite interesting. We don't know who is supporting the bill either because there seems to be so much wrong with it.

Why this direction? This afternoon I was told of a company that has applied for status as a delivery agent through the Ministry of Education and Training to deliver workfare. The connection in the proposal is that this contractor is now the delivery agent that accesses funding to bring on workfare as placements and is now the agent that apparently would be the sponsor for workfare recipients. So the pieces are starting to fit together for me.

We've always suspected that, when we noticed the change in the language between "employer" and "sponsor," but it's quite clear that there is actually an agency that has now been given status — very quickly run through the Ministry of Education and Training, I might add. It usually takes a long time to get that designation as a delivery agent. This one happened very quickly and is now taking people from workfare, and it is exclusively for that group. There are issues now that are in question about the individuals who are enrolled as apprentices. So under the guise of doing whatever it is they're doing, they're actually taking government money essentially, restricting it to welfare recipients who are now in this workfare program, to come out with this designation as an apprentice.

The Chair: Mrs Pupatello, is there a question, please? We're over our time.

Mrs Pupatello: I guess we have to plot too to put the pieces together as to why this is going forward. I'm suspecting that may well be another piece of the puzzle, that it's another way to make a failed program like workfare add up the numbers or something. I don't know if you've thought of that as a potential.

1600

Mr Bert Desjardins: No, I didn't. I don't know that workfare does enter into this. I believe small employers are upset because they lose their employees to large corporations. They believe we poach their skilled tradespeople, but I don't have sympathy for those people. In fact my feelings are, you pay them a decent rate of pay and you give them decent benefits and they won't leave.

The other thing is, there is an employer in this city and his father works with us — he's a tradesman and his son is a tradesman — and he doesn't pay his electrical apprentices much of anything. He pays them a very low rate of pay and he works their butts off. He will say quite

simply, "I'm going to work the devil out of those kids and they're not going to get paid that well, but when they're done, they're going to have a trade." Some of these employers want to work the devil out of a kid and give him no pay, but then when he's all done, they still want to work the devil out of him and still not give him any pay.

The Chair: Thank you very much. We've exceeded our time considerably, but thank you for your presentation.

AMALGAMATED CAW, LOCAL 195

The Chair: At this point we'll call the Amalgamated CAW local 195. Good afternoon, sir. If you could introduce yourself for members of the committee and also for the Hansard record, you have 20 minutes to use as you see fit.

Mr Mike Renaud: My name is Mike Renaud and I'm the president of CAW local 195. With me today is Nick LaPosta, the financial secretary of our local. I want to say thank you to this committee for the opportunity.

I'll just give you briefly some of our background. We are the largest amalgamated local union in the country. We represent about 70 different workplaces and over 5,000 members. We represent workplaces as small as six and as large as 600. We have tool and die shops, we have grocery stores, we represent security guards, we represent hotels, but the largest part of our membership has been and remains auto parts. As you can well understand, with that diversification, we represent a number of tradespeople, some where the entire shop is licensed tradesmen, like in the case of the tool and die shops, and other shops where we have skilled trade departments where we'll have electricians or millwrights or what have you. We also have auto mechanics. We represent some dealerships.

Having said all that, as you can imagine with that kind of diversification, in the late 1980s and early 1990s as we went through a recession, our local union was hit hard because of the number of workplaces that we represented. We did an awful lot of work there with regard to getting out people back into the workplace and an awful of work with community partners with regard to retraining and re-employment.

I say all of that because throughout all of those difficult periods for us there were some people who survived and stayed employed and were able, in the case of where their workplace closed, to find employment again quickly and really needed very little help, and those were the tradespeople. In this area in particular, tool and die makers, electricians, mouldmakers to some extent, of which we have much less experience, those trades in particular and then others to different degrees, millwrights, remained employable. In fact throughout that period and to this day, we will very often get calls asking for us to refer licensed tradespeople.

If you can imagine in today's economy, where we do get a tool and die person who has left one place of employment and come to see us, we have been able, I would say 90% of the time, to place that person within a

matter of days. It's a matter of making a couple of phone calls and employers are eager to get those people.

I'm asking you all to consider that in today's economy, where we have something that's working to the point where someone, because of their trade and their skill levels and their background and experience, has that type of mobility and, in a rough sense, I would say earnings in the range of \$50,000 to \$100,000 a year, on average.

It was touched on before through the guys from the GM chain. It's hard to fathom the skill levels and the technology that's needed today to stay competitive and the speed with which those things change in the workplace and the constant upgrading that's involved. I can't say enough about the skill levels of the tradespeople in our workplaces, the skill level and the adaptability that they have currently. These are all people who were brought up under the current system, and I think that is so very important to our economy.

Finally, a few comments before Nick gets into our brief. We have the opportunity very often to speak to young people. We go to schools. As you can imagine, probably more than ever young people want to know what type of profession to get into where they'll be able to make a living and, as they grow up, take care of their families. We have been able, to date — one of the things that strikes me that I am concerned that this legislation might change — we have been rock-steady, steadfast, able to say to young people, "If you have an inclination" — and this is based on very real, personal experience — "if you get into those trades that I've mentioned, tool and die, electrician, mouldmaking, in this area, you'll be employable. You'll be able to earn a good living and take care of your family."

I think that's of paramount importance. We can't say that about too many jobs any more, especially the way things change so rapidly. We can advise, I suppose, to different degrees when we're advising young people on a career course — I feel very good about that personally, that we've been able to give kids some concrete advice as they're reaching out, but that's harder and harder. Again, to bring it home, I'd say to you that if my son was of age today to go to work and suggested to me that he was interested in those trades, I would not discourage him whatsoever; in fact, I would encourage him. In Nick's case, his son is of that age and is now a licensed electrician and is working and will be able to make a good living and take care of his family.

We have something that is working in our economy, working very well, has been steady, and we can't say that about a lot of things, so I would implore this committee that we should not be changing that. If there are some ways we can improve it — but the bill as we sees it goes in the opposite direction, and it's so important to young people today that we can give them some direction.

To answer some of the questions that have come up consistently about what we say to young people, I think we do have a problem but we need to look at the education system because my experience today is still to this date — again it varies with age but probably in large part as we

went through school we were told we could be a doctor or a lawyer, that those were good professions to get into, and my experience is that that message is still being conveyed to young people in school.

We're not doing a good enough job in encouraging young people, not just encouraging them but actually setting up an education system that would provide for that, saying that for students who choose that career path it's a good career path, that they'll be successful. I think we can do some work in the education system which would help both the young people and the employers who are looking for those trades.

I'll turn it over to my partner, Nick LaPosta.

Mr Nick LaPosta: Good afternoon, members of the committee. Just on the two quick points that Mike just made.

First, the education system has let this area down. You heard earlier in a presentation that the Windsor and Essex county area represents 18% of the tool and die trade in all of Canada. It's located here in this area. I would carry it one step farther: My old alma mater, W.D. Lowe technical, actually probably produced 75% of the owners of those 18% of the tool and die tradespeople in this area. They're in as much dismay as I am over the decision locally, because the downloading effects of the current government in the area of education have actually closed that school. I understand that there's some last ray of hope to try to keep it open, but W.D. Lowe technical is no longer the same technical school that it was a mere 10 years ago.

What's happened is the education system has failed the people in this area. What they've done is taken the technical training out of the secondary school level, such as W.D. Lowe, and there has been no guidance, no counselling for any of the students that are there now who would much rather work with not only their head but their hands to be satisfied in making a living. That is bad, and if there's anything that this committee takes away from the hearings here today, take a look at the education system as to how flawed it has created areas such as Windsor and Essex county to be, not today, but 10 years from today.

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The other quick point is, yes, I'm fortunate enough to have a young man who has graduated with his certificate as an electrician, both his apprenticeship certificate and his provincial certificate. But an odd thing happened on the way to the forum while he was out there looking for work. He's currently unemployed. He has lines on jobs. He's working every day. That's because of his trade. But most of the places that he reports to are actually offering him less money now that he holds both certificates than he was making as first-year apprentice, second-year apprentice and so on. That's sad, but that's what's going on in the parts industry today. I want everyone to take note of that because I don't want your mindset solely to be in the Big Three world because we're not all there.

I believe it was you, Mr Carroll, who asked a question earlier of the previous delegation about the tool and die trade. I know from first-hand fact when we were suffering

through the plant closure system at the end of the 1980s and early part of the 1990s in this area where tool and die tradesmen, journeymen — third year, fourth year certificate tradesmen and actually tool and die tradesmen newly into the market working at that trade — walked into a small parts supplier who were in need of a tool and die tradesman, asked for a tool and die tradesman to apply for a job and literally walked into their tool and die area and had to pack up their equipment because they had more sophisticated equipment in their own possession while they were learning their trade than the employer had in his whole tooling area and they were being offered work at half the cost. Those are real-life situations. That's what's going on out there, and that's what's flawed. Not everybody is a part of the Big Three.

I know we've taken up quite a bit of time here so I'm going to hop, skip and jump through this presentation and try to be as quick as possible so you may have a question or two.

We appreciate the opportunity to appear before this committee. However limited these hearings are, four days in four cities, we remain hopeful that not only will we get an opportunity to present our views but we will actually be heard. To date, that has not happened with Bill 55.

We are dealing with legislation that has been drafted ostensibly to increase the number of apprentices in Ontario and provide additional opportunities for youth at bargain basement prices. But it is our view that you don't increase the number of apprentices by reducing the quality of their training; you don't expand opportunities for young apprentices by reducing their wages; you don't regulate the acquisition of skill by deregulating apprenticeship; you don't deal with a federal government which has eliminated its support for apprenticeship by further downloading those costs on to individual apprentices; and you don't reform apprenticeship by taking the skill out of skilled trades. Yet we are dealing with legislation that will do precisely those things.

A tool and die apprenticeship is different today than it was in the 1960s, 1970s and 1980s. An electrician today is a good deal different than his or her predecessor of a generation ago. Change is the constant. Our workplaces are becoming technologically more complex. Individual pieces of equipment are becoming technically more sophisticated. New generations of hardware, software, equipment and tools are constantly putting new and additional demands on our apprentices and skilled trades. These are new computer controls, laser measuring and alignment equipment, vibration analysis equipment. There is generation after generation of PLCs and other new computer-mediated processes. There are developments such as stereolithography or rapid prototyping, unheard of just a handful of years ago. Yet over the years our skilled workforce and apprenticeship programs have successfully responded to these developments.

Bill 55 implies that our apprenticeship system has failed. But ask the question, are our skilled trades failing to meet the needs of modern production? Then look for the answer, not in government background papers but in our

workplaces. The real question is why the government would trade off such a sure thing in exchange for the vague and ill-defined training programs envisioned by the new act.

Survey after survey concludes that one of our strengths in Ontario is the education and the skill of our workforce. The World Economic Forum recently ranked Canada in the enviable top tier of countries. It specifically made references to the education and skills of our workforce and to our strong technological base as reasons for our high ranking. The federal government, in its recent reports on the competitiveness of auto parts and the assembly sectors, points to our skilled trades workforce and the high productivity and quality in our plants. All of this speaks directly to the quality of our skilled trades, to the effectiveness of our apprenticeship program and to the skill of our workforce.

The changes proposed in the Apprenticeship and Certification Act threaten apprenticeship on a number of levels. One is through a substitution of terms and particular provisions in the act; another is through the deletion of safeguards in the act; and a third is by moving future changes into a less open and less transparent process of relying on regulations and the administrative decision of the director of apprenticeship.

In the first instance, the clearly understood and regulated notion of a trade is replaced with a vague and ill-defined notion of a skill set and occupation. Today we know what a tool and die maker is; we know what an electrician can do; we can describe the job of a millwright. We can show you the requirements of the trade, we can show you the training program, we know what happens in the at-school portion, what happens in the workplace. We are confident that the ratio of trades to apprentices is such that the apprentice will actually have a chance to learn at work. We can point to the supervision and the workplace committees. We can tell you what the wages will be and when increases will happen, and we can talk about the role of the union, the responsibility of the apprentice and the employment contract with the employer. Most of all, we can point to our certified skilled workers as outcomes of this process.

None of that would be the case if our trades developed under the proposed new legislation. Outside of the one page of definitions, the word "trade" doesn't reappear in the legislation at all. It has been replaced with the phrase "skill set." Similarly, you won't find any reference to employers or the employment relationship or contract between the employer and their apprentice. Instead of "employer," you get the ambiguous term "sponsor" and the phrase "registered training agreement." In fact, you rarely find the phrase "apprenticeship program," the drafters preferring instead phrases like "training agreement."

These omissions and these substitutions are simply wrong-headed. So too is the removal of safeguards and the requirements which are the foundation of the apprenticeship system. Safeguards and provisions which have developed over the years to protect individual apprentices, which provide a set of rules to advance the body of trade

knowledge and which provide employees and consumers with high standards of certification and safety are now redefined as barriers and are removed from the legislation.

Bill 55 eliminates the ratios of journeypersons to apprentices, the time guarantees for apprenticeship programs, regulated wage minimums for apprentices. In addition, it encourages short-term, limited training programs, removes apprenticeship standards, puts at risk employee health and consumer safety by abandoning certified trades and shifts the costs of training to the individual apprentice.

Replacing the time to learn with skill set acquisitions — I'm going to jump through this portion of it to try and pick up a couple of minutes and get directly to cutting of costs on page 5.

What the government means by apprenticeship reform has a lot to do with cutting costs. The government talks about a shift to a more market-driven approach in which apprentices take a greater responsibility for their own training. This new funding model means a number of things.

First, it means the government will cut its own costs by introducing tuition fees for the classroom component of the apprenticeship.

Second, it will cut employers' costs by eliminating the minimum wage requirement for apprentices, for example, no less than 50% of the journeyperson's rate for the first-year apprentices.

Third, after squeezing the apprentice on both ends, it notes that it is optimistic that apprentices will be able to borrow money from the reformed UI, the new EI, legislation and go into debt for their apprenticeship.

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We are opposed to shifting the burden of financing the apprenticeship system on to apprentices. So are others, as is indicated in the government's discussion paper of 1996: "Stakeholders generally agreed that the province must continue to ensure that the program is properly funded in an accountable manner."

I'm going to jump all the way to what we propose, on page 7.

When the government first released its discussion paper on apprenticeship reform, the Ontario Federation of Labour, in conjunction with its affiliates, developed a blueprint for a workable model for the legislative framework of the apprenticeship training system in Ontario. We will not reiterate that entire model for you here, as the ministry has already seen a copy of that submission. But in general, our blueprint proposed a new relationship between industry and government, with clearly defined roles and responsibilities of all bodies involved and with mechanisms to provide accountability to industry, to government and to apprentices.

In our model we envisioned greater industry responsibility and participation in the system. At present we have provincial advisory committees for the regulated trades only, and they are strictly advisory in nature. Although Bill 55 outlines more roles for the PACs than were contained in the old act, it leaves the establishment of these committees to the discretion of the minister. We

believe that PACs need to be established for all trades and managed with more responsibility and authority.

The sector bodies and local joint apprenticeship committees should also be recognized within the context of the act.

The committees should have a role in providing and supplementing training as well as a role in administration. They should also provide input on training, intake and education requirements. Their role could include such areas of administration as scheduling in-school training, keeping up-to-date information on all apprentices within their jurisdiction, their start dates, their employers, their progress and their current status. Sector bodies and the LACs should be defined in the act as "employers" for the purpose of identifying apprentices. The reference to "sponsors" should be removed. It should be employers who contract with apprentices, not outside unrelated parties.

In our view, the government needs to retain a role in promotion, marketing, program enhancement and enforcement. It should retain responsibility for issuing licences, enforcing the regulations and handing out penalties. The enforcement mechanism needs to have more clout, and penalties need to be more strictly enforced. This kind of government role would ensure accountability.

The Chair: Mr LaPosta, if you could conclude. We're about a minute and a half over schedule.

Mr LaPosta: I'd hate to waste the minute and a half.

In conclusion, Bill 55 was not done right the first time but it can be done right the next time. We urge the committee to recommend withdrawing the legislation and in its place establishing an apprenticeship review process that puts those directly involved around the table. In auto, in auto parts, in aerospace, in rail, in mining and in those other sectors in which we represent skilled trades workers and apprentices, we are not only prepared to do so but would welcome the opportunity to be a part of that.

The Chair: Thank you very much for your detailed presentation. We appreciate that.

AUTOMOTIVE PARTS MANUFACTURERS' ASSOCIATION

The Chair: We now ask the Automotive Parts Manufacturers' Association to come forward. Good afternoon, gentlemen. I ask you to introduce yourselves to the members of the committee as well as for the Hansard record.

Mr Ken MacDonald: On my left is Mr Gerd Zech and on my right is Mr Joe Mammarella, both of the Windsor Integram feeding plant, a division of Magna. Behind me also in the audience is Mr Ralph Zarboni, who is a former chairman and presently a director of the APMA as well as a director of some other parts companies. I am Ken MacDonald, the secretary and director of policy development at the APMA. I'm very glad to have this opportunity to give our two cents' worth — actually, we're going for three or four cents' worth. That's how important the issues are.

I'll start with a few words of background about our association. We represent Canadian manufacturers of materials, parts and equipment used in the manufacture of the cars and trucks we drive. Our members represent about 90% of the \$26 billion in goods shipped in 1997. Those goods range from steel chassis to electronic componentry to robots. The industry employs about 92,000 Canadians and about 7,600 tradespeople, the majority of whom, of course, work in Ontario.

There are three reasons to embrace apprenticeship reform: (1) these careers are rewarding; (2) there's a serious and growing shortage of skilled tradespeople — I see that some people have already presented their letters to you on previous occasions; and (3) Bill 55 will help.

On the first point, the parts industry has become one of the world's most technologically advanced industries and several industry trends have converged to make a highly skilled workforce an absolute necessity. Parts makers are taking an increasingly major role in more and more of the content of the cars and trucks we drive, at the same time that those parts are becoming more sophisticated.

A couple of examples are Dofasco and Stelco, who have developed an ultra-light steel auto body, which reduces the weight while maintaining rigidity; Magna has a number of projects on the go: advanced electronic latching systems that provide programmable logic for double lock, child lock and central lock features, and you've perhaps already heard of computerized brakes, on-board navigational systems and ceramic engine parts.

At the same time, manufacturing processes are also rapidly changing, an absolute imperative to maintain competitive levels of productivity. That therefore involves the use of robots, sensors and other equipment, the one common denominator being that they all require a workforce with an ever-rising level of knowledge and skill.

The last point is that when a new product is developed, an efficient manufacturing process must be developed alongside it. That requires testing on the plant floor, and thus the R and D process involves tradespeople as well.

Major trades in the industry — they're set out there for you — are tool and die makers, mouldmakers, industrial electricians, industrial mechanics or millwrights and general machinists. They're described there if you want to refer to that. These are well-paid positions. The association just released earlier this month a wage and salary survey of our membership and found that starting wages for tool and die makers and industrial electricians are around \$19 to \$20 an hour; mouldmakers are just a few cents back. That's the average. Moving from there, many tradespeople rise through the ranks to senior positions in these companies. As I said, this is a survey of about two thirds of the industry. We are very happy with the findings in terms of representativeness.

Despite this, there is — and I can't emphasize this enough — a growing shortage. That survey I just mentioned revealed three important facts: one in three companies is currently facing a shortage; three out of four are planning to increase their skilled trades staff between now and 2001; and owing to supply and demand, wages

for many of these trades are up substantially from 1997. I have made available copies of that survey report for anyone who may be interested. I have limited copies with me; more are available back at the office.

What causes the shortage? Three important factors that I know of. A statistical analysis that we undertook earlier this year projects a major wave of retirements. Maybe as many as 34,000 people in the five trades it mentioned, taking into account all sectors of manufacturing in Ontario, could retire between now and 2007. If we think back to the auto pact and how much expansion took place in the 1960s and do the math, you can see why many retirements are to be expected.

The second point: A lot of students in high school and graduating from high school have not shown much interest in technical careers. We would say it's no coincidence that those same people have not even an inkling of what opportunities the trades can offer, much less an opportunity to actually see those trades in the workplace for themselves. That's what apprenticeship offers.

1630

The third point the survey alluded to as being a factor was a lack of means to train. It must be emphasized that the impact of this shortage is far-reaching. The availability of skilled workers is a factor of the utmost importance, in fact ranked at the top of those factors considered in the selection of sites for manufacturing facilities. We have a study, again, on that subject. Copies are available if you'd like. The implications are clear.

The APMA itself has undertaken a number of initiatives to address the shortage, largely in the nature of initiatives to raise awareness of the opportunities. We have our Jobs for the Future video distributed to every high school, a career profiles booklet guide to describe the careers in more detail, day-long conferences for teachers, a CD-ROM guide in the making, another guide to careers. We have a full-time director of human resources development on staff now. Her responsibilities include overseeing those various initiatives plus going to career fairs and the like.

Parts makers have taken their own initiatives addressing the shortage. Magna have their own training facility for tradespeople, admitting 50 apprentices in their first class last September.

So we will do what we can, but we definitely need reforms to the overall system of apprenticeship.

That takes me to our comments about Bill 55.

We applaud, in no uncertain terms, the general goal of Bill 55; namely, to increase the number of people obtaining training through apprenticeship. If the bill is passed, people who would not be able to pursue such training except on a part-time basis or on a contract basis will have a whole range of new career options opened to them.

The bill also helps ensure that the reality of apprenticeship is faithful to the ideal of workplace-based training. As I alluded to a few minutes ago, we are facing rapid change in the workplace, and industry must play a bigger role to ensure the relevance and value of workplace training.

The flexibility in terms of scheduling the in-class portion of the training is to be welcomed. It recognizes the role that small and medium-sized businesses have to play in creating jobs, the challenges they face in juggling the day-to-day pressures of production schedules, and their responsibilities, on the other hand, to apprentices.

In studying Bill 55, we looked at the apprenticeship law and infrastructure in Alberta, a system which has been remarkably successful. With only 9% of Canada's working-age population, they train 18% of the apprentices, over 28,000 people in 1998. I spoke to the Deputy Minister of Education and asked what he believes accounts for their success. He mentioned two factors, one of which was flexibility in respect of the in-class training portion.

We do have some concerns about the bill. Abolition of the minimum education requirements could result in fewer successful completions of apprenticeships or could undermine the value of certificates of apprenticeship and the red seal program. It is important for employers and apprentices alike that the certificates signify a consistent level of knowledge and ability. If grade 10 minimums are abolished, there ought to be at least an entry exam to ensure the apprentice possesses the core competencies to succeed in their program.

As well, we believe strongly that the bill or the regulations must stipulate standards for the delivery of that training. Bill 55 removes the minimum journeyman-apprentice ratio altogether but is silent about who supervises the apprentice or other standards. Standards are core to the success of the program. The quality of the training, by the way, was the second factor cited by the Alberta deputy minister. We urge the government to prescribe standards in the regulations.

Take a look at the Alberta legislation in that respect. Their regulations stipulate that for tasks that are part of a compulsory certification trade, which in Bill 55 is called a restricted trade, the supervisor must be a certified journeyman. Further, the trade-specific regulations under the Alberta law stipulate the number of apprentices a person may employ, and the employer, in applying that regulation, must take into account only those certified journeymen who could be available to supervise the apprentices. We ask you to take a close look at Alberta regulation 1/92.

Finally, we suggest strongly that the government consider having the apprenticeship offices provide to would-be apprentices information about potential employers or sponsors.

In closing, we congratulate the Ontario government for taking the initiative to reform the system. Large numbers of well-trained tradespeople will be key to the continued prosperity of this industry and a big part of the economy. We just had those few points that we needed to draw your attention to. That completes our remarks.

The Chair: Thank you very much. We have a couple of minutes per caucus. We'll start this time with the government caucus.

Mr Smith: Thank you for your presentation. We've heard a lot about the issue of the removal of regulated

wage rates. There's reference as well in your presentation to the tool and die sector. In fact, seven years ago the tool and die industry committee recommended that wages be removed from the regulation process. That has happened. Are you concerned that full removal of that will in fact drive down wages for skilled workers?

Mr MacDonald: There is, of course, a measure of protection in the Employment Standards Act for the same people we're talking about. It's not clear that there's going to be a detrimental effect due to the changes in Bill 55. If there is, the government can revisit that issue.

Mr Smith: You yourself have indicated from your own surveys that starting wages for tool and die makers are between \$19 and \$20 per hour. Is there any reason to suggest that the provisions of Bill 55 would alter that scenario as it exists today?

Mr MacDonald: The figures of \$19 and \$20 an hour are a product of the existing level of demand. For the foreseeable future, I would imagine that those forces will continue to keep wages high.

The Chair: For the Liberal caucus, Mr Duncan.

Mr Duncan: I was noting one of the documents, the Competitiveness of Canada's OE Parts Sector, which I believe you distributed. On page 32 of that, they indicate that the second-most-important variable in location decisions, location of new plants and investments, in Ontario is the availability of a skilled labour force.

In your presentation, you've indicated that you have concerns about the bill, particularly about the abolition of minimum education requirements. We've had repeated testimony today from business representatives, educators, labour leaders, skilled tradespeople and apprentices that this bill will in fact undermine our ability to provide a skilled and trained workforce, that we are in effect reducing minimum standards.

How do you reconcile your support for the bill and at the same time fundamentally say that you disagree with one of the key elements, recognizing that your own evidence suggests that education and the availability of a skilled labour force is the second-most-important variable in terms of decisions to invest and create jobs in this jurisdiction? Wouldn't you agree that if you are undermining our ability to train skilled workers, you're undermining our ability to attract investment and jobs?

1640

Mr MacDonald: With respect, that sounds like more than a question.

Mr Duncan: It's right here on page 32.

Mr MacDonald: I have two points in response. One is that availability of skilled workforce is top-ranked. If you want to go into methodology, they had two ways of asking the question: first, "Please tell us what your major factors were," and second, a list of suggested factors they were asked to rank. If you average the two out, skilled workforce comes out on top, tied with another factor.

Mr Duncan: It says the second most important variable in location decisions is the availability of a skilled labour force. That's your document.

Mr MacDonald: There's no question it's important.

Mr Duncan: What we have heard today, and I'm having trouble reconciling this, is that what this bill will do is lower training standards, make our skilled trades less productive, less competitive. By the way, we haven't heard that from business types. We've heard that from union representatives, skilled tradespeople, as well as union leaders and others.

I guess the difficulty I'm having with the position you're taking is, you're saying on the one hand that the bill is good, that it's something we should have, that, "We like this bill." But in your document you say you have this concern about the abolition of minimum education requirements, and in your backup documents you are suggesting quite clearly that the skill level of our employees, of our workers, of our skilled trades is an important competitive advantage we have. You go on in the document to say that.

Why would we, as a Legislature, want to pass a bill that, according to the testimony we've had from repeated witnesses here in Windsor and elsewhere, reduces those standards and presumably will lessen our competitiveness? Would the automotive parts sector want to do that?

Mr MacDonald: We have said two things. One, the general direction of the bill is to be applauded. Two, there are some points that we'd like the government to take a closer look at. The most important of those is definitely quality assurance for the training.

The Chair: Thank you, Mr Duncan. At this point, we move to Mr Lessard.

Mr Lessard: When I saw your name, Automotive Parts Manufacturers' Association, on the list today, given the submissions that we've heard over the past couple of days of universal opposition to this legislation, I thought: "Ah, ha. There's somebody who is going to support this bill unequivocally."

However, you've indicated, as Mr Duncan has said, that you're concerned about the abolition of minimum education requirements, that it might undermine the red seal program, that there need to be standards for delivery of the workplace portion of the training. You're concerned about the minimum journeyman-to-apprentice ratios; you're concerned about provisions for the qualifications for supervisors of apprentices. Those are pretty fundamental principles that we see in Bill 55 that you are concerned with.

The question was asked earlier today, who is in support of the bill as it stands now? We know this is a process that's been going on for at least two years. You would have had numerous opportunities, I would think, to provide input to the Minister of Education and Training to the proposals that we're dealing with today. I'm very concerned that you have these concerns and I'm wondering, who do you think might be supporting this bill as it's proposed?

Mr MacDonald: A large part of the standards for training quality that are found in the Alberta law, and perhaps also in other jurisdictions, are provisions found in the regulations. I'd like very much to have seen the draft regulations before coming in here today —

Mr Lessard: You and me both.

Mr MacDonald: — but the fact of the matter is that the regulations have not been drafted at this point and we're here, among other things, to say, "Here's something that we want to include in the regs." There's a lot in the legislation that deals with a variety of issues beyond quality, and we think the government is very astute in addressing the need for reform in the first place. There's a lot in the bill that is very much to be welcomed, as I've already indicated.

Mr Lessard: You can understand the difficulty I'm having as a legislator trying to pass a bill where I don't have the details. It's like being asked to buy a car where you're not going to get the warranty until the month after you buy it. It's a problem for us.

The Chair: Thank you very much. The time has expired.

Mr Froese: On a point of order, Mr Chair: I'm wondering if all members of the committee could get the report that Mr MacDonald had mentioned. I believe it's the 1998 Technical Staff Compensation and Recruitment Survey Report.

The Chair: So noted. The staff will look into that.

Thank you very much for your presentation this afternoon.

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

The Chair: At this time we will call the United Brotherhood of Carpenters and Joiners of America, local 1946. Good afternoon, sir, and thank you for joining us. If you could give your name and other details to members of the committee and for the Hansard record, and you have 20 minutes to use as you wish.

Mr Vic Bodner: My name is Vic Bodner. I am a proud member of local 18, carpenters' union, and I am also the training coordinator for the province of Ontario for carpenters.

First, thank you for allowing me to speak at this hearing. We obviously are concerned with the statements included in Bill 55 and the effects these statements would have on apprentices and apprenticeship programs.

I think we here are all aware of the long-range views that must be taken to ensure future generations of tradespeople are trained adequately to supply the industry with a qualified workforce. These people will need to be highly skilled and capable, motivated and dynamic individuals that companies will employ to help them succeed in business. We must not be short-sighted nor short-viewed in this approach to reform.

Within Bill 55 there are many areas that hinder or stifle this long-range plan for quality and success for all companies requiring skilled tradespeople. Today's industry is, quite rightly, not the same as 30 years ago. Materials, techniques, and demands have changed, mostly affected by world and local marketplaces. Hence, not only has the skill level required but the information and knowledge level required to perform these tasks been magnified.

So the question arises as to why this bill would allow apprentices who wish to partake in this industry with a significantly higher knowledge demand come to this industry with less than a grade 10 level of education. Is this giving them a fair chance to succeed and is it fair to the industry to struggle with apprentices inadequately prepared to learn the trade?

I have a question. If we eliminate grade 10 as a base entry requirement, how can an employer be assured of getting an apprentice who is functionally literate enough to understand or comprehend and translate required information to perform assignments safely and to the best quality standards demanded by the consumer?

"Raising grade 10 to a grade 12 level raises a potential barrier to youth apprenticeship." This is a quote from the government. My comment to this is, yes, it is a barrier, but you need to have some insurance — I can basically draw a parallel to entry exams for medical school — that the participant has a general ability to succeed so as not to waste their time, the government's time and the employer's time or money. You are, with this attitude, perpetuating the stigma which has been over the trades for so long and which we have tried to eliminate: "Let's put all the people who we feel can't make it academically into the trades." Not only we but the employers don't want these people. They will not succeed in the trades. The trades have become so technologically advanced that we have heard countless times today they won't make it in the trades.

Once you consider what is required for a full and well-rounded education, academically or in the trades, you see why it is necessary to have the trades exist as a complete unit of instruction. What I mean by this is that you cannot segment the trades any more than you would segment the medical profession. You would not expect an intern to practise surgery without the close guidance of a resident doctor. This same intern will become a MD before they specialize. Therefore, the thought of a self-employed apprentice is ludicrous in its very nature.

The government wishes to see tradespeople and apprentices in this province obtain the mobility that is so essential, especially within the construction industry. With the insertion of skill sets to the trades, this mobility for our tradespeople and apprentices through the red seal program will be eliminated. We cannot possibly qualify within the criteria needed for red seal certification.

I sit on an apprenticeship board dealing with the red seal program. We have just finished a new occupational analysis for carpentry. We have finished the new inter-provincial exam for the red seal, and we are now doing a standard for a common core curriculum across this country. I can tell you right now that if this bill is adopted, Ontario will not be part of the red seal program. They will not qualify, period. The government had better think long and hard about what they're doing to Ontario, because they will eliminate them from the red seal program.

1650

We immediately recognize the result of partially training people for jobs. Once that job is over, so are those

people's futures in that area. Hence the statement "a six-week job for a six-week training course." Therefore, we should leave intact the full trades as they are and thereby have full employment for fully trained people.

Another question I would like to pose is this: When an employee learns a particular skill set because the employer says, "That's all you need to know to do the job," what happens to that employee when that job ends? He no longer has a position and can't move anywhere else.

We have mentioned the Alberta program a couple of times in here. The attempt at multi-skilling and skill sets in Alberta which the government keeps referring to was a management-driven idea whose entire premise was to eliminate 35% of the workforce on the job site. How is that going to create more jobs? How can the government on one hand state that they want to increase job opportunities for youth and yet adopt a program designed to eliminate 35% of the jobs?

Stemming from this area is the question of enforcement of this and any other regulation that is brought forward. We have heard the government commend the PACs of this province for their knowledge and capability to assist the government in making logical decisions about the trade, and how the government felt the PACs should have more power to help regulate the trades they represent. I think it is time for the government to not only listen to the PACs, but to take into practice and give substantial powers to the PACs. Being made up of labour and management, these are the people who know the industry's wants and wishes; they are in fact the industry. Therefore, it should rest with the PACs to control the inner workings of the trades. To do this, they need the power to control wages, ratios and entry level educations.

Where is the incentive for an apprentice to choose a career in the trades if they're going to be paid minimum wage? This is why rates need to be left as they are.

If you eliminate the ratio for journeypersons to apprentices to encourage self-employed apprentices or part-time apprentices, who will these apprentices learn from?

Let us return to the apprentice whom this Bill 55 is supposed to be helping. How is cutting the apprentice's wages helping them? Where does an incentive to enter the trade arise? How is adding tuition costs helping them? How can a contract with yourself or anyone else not in some authority over the results of your actions be deemed adequate to develop a commitment to success? How can the elimination of a ratio of journeymen to apprentices be anything but detrimental to the learning process of the apprentice?

The government has stated that the apprenticeship program hasn't been reformed for 30 years, and perhaps it is time that we look closely at changes. But I state again: Listen, take heed, and implement the necessary requests from the people who know. Answer the questions posed previously and consider the long-range consequences of these actions you are about to initiate.

That's basically all I have to say.

The Chair: Thank you for your presentation. With that, we have almost three minutes per caucus, and I'll start with the Liberal caucus.

Mrs Papatello: I wanted to go back to the national red seal program. We had asked questions earlier of other groups as well, because we understood that if this passes and becomes law, Ontario, rather than having the reputation it does today in terms of its skilled workforce, in fact is going to fall out of favour with the national program. Every province has agreed to have some certain set, and while some groups still advocate an even higher level within that program — it isn't ideal yet — it at minimum is some level of standard nationally.

You said very specifically, "We cannot possibly qualify within the criteria." Tell me some of the details about that. What criteria specifically? I don't think we're going to meet that either, but give me some specifics.

Mr Bodner: The first one that comes to mind is education. There is a certain limited education, and right now we have sat down and decided that probably the limit of education will be grade 12, so automatically, if you start bringing people in who are not at that level, they will not qualify.

Skill sets: We do not recognize skill sets whatsoever. In the red seal program, you are a journeyman carpenter, period, which means you encompass the entire trade, and every province, including Quebec, which had been a holdout for a long time, is on board with this. If you start deeming people as having a skill set, they will not qualify for that certification, period.

Mrs Papatello: Are those the only two you can think of? They're major, but —

Mr Bodner: Those are the major ones at this point, yes.

Mr Lessard: Thank you very much for your presentation. I was especially interested in your references to what has happened in Alberta. We just heard from the parts manufacturers, who suggested that Alberta was a model we should look towards as a successful reform process for apprenticeship.

I'd like to know whether you have any further information in writing that you'd be able to supply to the committee with respect to what has happened in Alberta and the results they've experienced, because we have some reports from what has happened in the southern United States, where they undertook this sort of initiative a number of years ago. I have a report that is called *Confronting the Skilled Construction Work Force Shortage*. It was —

Mr Bodner: The round table?

Mr Lessard: Yes, from the Business Roundtable, that was provided to us yesterday, which indicated that even with standardized curriculum, and assuming qualified applicants enter the industry, the open shops that were getting all the work weren't living up to their commitment to provide training. The closed shops that had been providing that training weren't getting the jobs to sustain themselves and eventually they ran out of the pool of

skilled workers and now they have severe shortages in those southern United States.

Mr Bodner: That's one of the documents I've alluded to, and there is another one, which I can get to you, by a research company down in the States that has done the research for this. Yes, there are a few states, and in Alberta they are finding at this time that, as you've said, it's not working. They had great hopes for it but, because of the reality of the situation out there, it is not working. I will produce that for you.

The Chair: Thank you, Mr Lessard. For the government caucus, Mr Carroll.

Mr Carroll: I just want to ask you a question about the self-employed thing. I want to paint a little picture here. You're a self-employed journeyman carpenter.

Mr Bodner: No, I'm not.

Mr Carroll: I'm painting a picture here, OK?

Mr Bodner: OK.

Mr Carroll: You are a self-employed journeyman carpenter; I'm a self-employed handyman. I come to you and I say, "I'd like to become an apprentice," and you say, "I don't mind teaching you the trade, I don't mind taking you on as an apprentice, but I don't want you as an employee because I don't want that bother of having to go through all the forms and so on." You say, "I'll take you on and I'll teach you the trade, I'll teach you as an apprentice, but you have to stay self-employed and take care of your own earnings." Why would you be against that?

Mr Bodner: Why would I be against that? That is the case. The situation exists that I would not be against it simply because for me to take him on, I could pay him probably one sixth the wages I would pay anybody else who is a certified carpenter. The bottom line is business, all right?

Mr Carroll: Suppose you didn't want to take him on as an employee because you didn't want the hassle of having an employee. You were prepared to take me on provided I continued to be self-employed. Why would that not be acceptable to you?

Mr Bodner: Because I'm not getting a quality tradesman.

Mr Carroll: You're going to train me. I'm going to be an apprentice for you but I'm going to be self-employed. I'm going to look after raising my own income. You're the journeyman and you're going to teach me, but you don't want to take me on as an employee. I say, "Fine, I'll work under that situation, but I'll stay self-employed and I'm going to become an apprentice to you." Why is that not acceptable?

Mr Bodner: Why would I bother hiring him as an apprentice to self-employ when I can get a journeyman carpenter to do that job?

Mr Carroll: I'm talking about — you don't want a journeyman carpenter.

Mr Bodner: Why wouldn't I want a journeyman carpenter?

Mr Carroll: You're self-employed on your own, sir.

Mr Bodner: And I would want a journeyman carpenter.

Mr Carroll: But why wouldn't you want to train me?

Mr Bodner: What benefit would I get out of it?

Mr Carroll: So you don't think that journeymen have any responsibility to train the apprentices?

Mr Bodner: Yes, they do, but not in my business. If I'm a self-employed carpenter, my bottom line is profit. I keep my profit margin as best I can. You asked me because I'm a self-employed carpenter. If my bottom line is that I can hire somebody for \$5 an hour instead of \$15 an hour, guess whom I'm going to take?

Mr Carroll: So you would hire me if I would come as an employee and you would have me be an apprentice, but you wouldn't hire me if I said, "No, I'm prepared to come and be an apprentice for you but I'll be self-employed." I don't understand that.

Mr Bodner: You don't understand the construction industry, then.

Interjection: That's the underground economy.

Mr Bodner: That's exactly what that is. It's the underground economy.

The Chair: I think that's a very interesting question. Have you got another response or a further question?

Mr Carroll: He says a self-employed apprentice is ludicrous in its very nature and I just pointed to an example where I don't think it's ludicrous.

The Chair: It's an interesting point of view. With that, the time has expired for this particular presentation. Thank you very much for your time today.

At this point we come to LIUNA, local 625. Are they in the room? No.

1700

CHATHAM AND DISTRICT LABOUR COUNCIL

The Chair: We have a group that has come forward and is interested in presenting their views, the Chatham and district trades council. As you are an addition to the agenda, if you could state your name and organization for the record, I'd appreciate that very much.

Mr Aaron De Meester: My name is Aaron De Meester. I come out of CAW, local 127, in Chatham. I'm the current president of the Chatham and District Labour Council.

I apologize for not having a brief to hand you, but I didn't expect the opportunity to speak in front of the committee this afternoon. It was brought to my attention that possibly the last person was not going to show, so that's why I'm here now.

Fundamentally, the labour council is, as you can well guess, opposed to Bill 55. I represent approximately 11,000 people in Chatham from 26 different affiliated unions. Many of those unions have their own separate trade councils and they have contacted me about their significant concerns about Bill 55.

Particularly, what I'm hearing is that Bill 55 eliminates the ratio of journeymen to apprentices; the time guarantees for programs; it eliminates regulated wage minimums for

apprentices; it encourages short-term training programs; and it puts at risk, in our opinion, employee health and consumer safety by abandoning certified trades.

I worked for an auto company for approximately 30 years. I was an instructor in some programs. The most common problem I encountered with some journeymen was — they came up through the ranks, they worked diligently, they worked hard, they were very committed people — that because of the technological world we live in, because of the rapid progression of technology, they were always having some difficulty in keeping up.

One of the biggest flaws in Bill 55 is, if it passes all three readings and is implemented as law, that it definitely will significantly reduce the educational requirements. I would challenge anyone on this panel to explain to me how reducing the educational requirements from grade 12 to grade 10, when math and technological know-how and robotics are such an important part of a journeyman's knowledge in this day and age.

The apprenticeship program up to now has worked fairly well in Ontario, not perfectly maybe, but I think we are the envy of other countries in the skills that our journeymen possess. The skills they possess are now transferable, meaning that they can go from employer to employer with the confidence that they can enter a plant or a workplace, wherever it is, and continue to be able to service the machinery, the systems, in that plant.

My understanding of this bill is that we'll be employer-driven, that the skills imparted on the apprentice and eventually the journeyman will not be transferable between workplaces, that they will only be applicable in many instances to that employer. I don't believe that's the way we should be going. We're heading down the wrong road with this bill.

As one of the previous speakers urged this committee, I think you should withdraw this bill, go back to the drawing table and ask those people who are best qualified to guide you. Consult with them as to what reforms, if any, need to be made to the apprenticeship act. I think Buzz Hargrove said it very well, that in coming up with the content of this bill, it's certainly reflected that you have not consulted the people who are the experts in the field of apprenticeship.

I understand I have 10 minutes.

The Chair: Yes, you can continue.

Mr De Meester: I don't want to just reiterate things that have been said here already, so I'll entertain questions at this point.

The Chair: Thank you very much for your presentation and that you were able to come here and get some time to speak to the committee members. With that, the line of questioning would start with the NDP caucus.

Mr Lessard: One of the things we're concerned about is the elimination of the protections that have traditionally been in place for apprentices. We heard about that earlier today and we heard about it yesterday. The government says, "Trust us, some of those protections are going to be in the regulations," but we haven't seen them yet.

One of the things that I'm most concerned about is the elimination of the minimum wage ratios of journeypersons to apprentices. We've heard that the Employment Standards Act may be there as protection for things like minimum wage in those situations, so that people who are apprentices would be faced with making \$7 or \$8 an hour, I guess. First of all, do you have concerns about there being only the minimum protections in the Employment Standards Act for apprentices? Second, do you think that the provisions of Bill 55 are going to encourage more young people to choose apprenticeship training as a career or discourage people?

1710

Mr De Meester: In response to your first question about the wage rate being protected by the Employment Standards Act, we've seen the Employment Standards Act destroyed since this government came into power, in my opinion. We've seen other regulations which circumvent the Employment Standards Act, such as the proposed workfare model. I don't think the Employment Standards Act will be sufficient protection to those young apprentices who are certainly worthy of protection. All the Employment Standards Act does is guarantee minimum wage.

In response to your second question, I don't see the bill encouraging people to go into traditional skilled trades in Ontario. If anything, because of the proposed reduction in wages, because of the employer control, because of the very narrow confines of the context in which they should be able to learn, I don't see that at all. I see the opposite happening.

Mrs Barbara Fisher (Bruce): I just have two questions. They arise from the presentation by Mr Hargrove this afternoon. The first one is, what is being done by the representatives to the hearing process here today to encourage the federal government to put back the transfer payment that is being reduced? It has over the past four years dropped from a \$40-million transfer fund to \$6 million this year and is set to result in no transfer payment by June 1999. We're attempting to work very hard to make sure that transition of funds happens for the good of apprentices in Ontario. Is there any force being applied by these parties that we've heard today, including yourself, to help that come to a head?

Mr De Meester: You're asking me this question?

Mrs Fisher: Yes.

Mr De Meester: Certainly. Through the Canadian Labour Congress, which the Canadian Auto Workers is affiliated with, we have been in strenuous opposition to the cut in transfer payments. However, I don't quite understand the relationship here between your government gutting the apprenticeship act and transfer payments. How is that relevant?

Mrs Fisher: Let me help you on that one a little bit. Many presentations today have inferred, maybe not yours, with regard to the position of the government in this area of discussion of apprenticeship training, that of funding or resources, providing the resources, that they want the industry and the workers to negotiate the terms around

apprenticeship but they want us to be the funding model. The attachment comes with, where do you get those funds if in fact they are being taken away? It's very obvious that it is in direct relationship to the needs of continuing apprenticeship programs, as the people who came forward have indicated our role should be. There is a direct association.

We as a government understand the need to not only continue but to increase the number of apprenticeship entries into the workforce, something we fully support, but we also need some help in making sure that your request for us to fund it continues from where we were funding it at the beginning as well.

The Chair: Thank you, Mrs Fisher.

Mr De Meester: Do you want me to respond to Mrs Fisher?

The Chair: Certainly, you respond, and then Mrs Pupatello for the Liberal caucus.

Mr De Meester: Mrs Fisher, let me guarantee you that we are definitely at a national level very vocal with the cutbacks to health and education and training in terms of transfer payments that came from the federal to the provincial government. Those cuts of course started under a Conservative government in Ottawa, and we were just as vigorously opposed to their policies as we are to the present government's.

Mrs Fisher: I'd like to depoliticize it, if possible. I'm just saying there is a common goal there, there is a common need, and if we can move forward that way, that would be great.

The Chair: Pardon me, I sort of lost control here for a moment. Mrs Pupatello, it's your question time.

Mrs Pupatello: I think we have to note for Mrs Fisher's information that Ontario is the last province to be able to engage in any kind of negotiation with the feds. The feds are trying to reach an agreement with Ontario. They've managed to do so with every single province in Canada except Ontario. It speaks volumes to the kind of relationship, unfortunately, that Ontario now has with the

federal government: very confrontational, very fractious, lots of friction.

Every time the feds release funding, what the province does essentially is take the money for whatever it is they choose to do with it, and Ottawa finally will not stand for that any longer. Every time they make funding available for a particular purpose, the provincial government in Ontario chooses to give that money away in a tax cut, and that's been the history so far. The most recent example is the child tax credit, which the provincial government then took back from people on social assistance.

If I hear the time at this point, then I'll know you're being partisan, Chair.

In any event, some of the comments you've made have echoed things that we have heard all day. My fear is that given the community you come from in Chatham, the general consensus is going to be much as Mr Hargrove said.

The final comment, to me, had the most impact, that this is about jobs and it's about lowering standards, which in essence becomes one of the critical elements that people look to when they are expanding in Ontario. His final comment I thought was very strong: that lowering standards means jobs in Ontario, and the people in Chatham have got to be as concerned about that as the people in Windsor.

Mr De Meester: I would agree with Mrs Pupatello's assessment, the final concurrence with Buzz Hargrove's comments, that this bill will lower the standards; should this bill pass, that the people who then go into apprenticeship programs and go on to be journeymen certainly will be lacking in a lot of skills when the rest of the world is progressing in other areas.

The Chair: Thank you very much.

As the sun slowly sets in Windsor, we will soon be leaving for Sudbury. For the members of the committee, there will be a taxi at 5:45 at the front doors of the hotel and we have a very early flight. Thank you very much.

The committee adjourned at 1717.

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Mercredi 18 novembre 1998

Standing committee on general government

Apprenticeship and
Certification Act, 1998

Comité permanent des affaires gouvernementales

Loi de 1998 sur l'apprentissage
et la reconnaissance
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Chair: John R. O'Toole
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 18 November 1998

Mercredi 18 novembre 1998

The committee met at 0840 in the Ambassador Hotel, Sudbury.

APPRENTICESHIP AND
CERTIFICATION ACT, 1998LOI DE 1998
SUR L'APPRENTISSAGE ET LA
RECONNAISSANCE PROFESSIONNELLE

Consideration of Bill 55, An Act to revise the Trades Qualification and Apprenticeship Act / Projet de loi 55, Loi révisant la Loi sur la qualification professionnelle et l'apprentissage des gens de métier.

UNITED STEELWORKERS OF AMERICA

The Chair (Mr John O'Toole): Good morning. I'd like to call this meeting to order and thank those for rising early and having a clean set of clothes to get on with business. Anyway, we've got a very busy agenda ahead of us here this morning in Sudbury. I'd like to start by calling the United Steelworkers of America to the table. If you would, please introduce yourself for the members of the committee as well as for the Hansard record. You have 20 minutes to use as you wish.

Mr Wayne Fraser: My name is Wayne Fraser. I'm the area coordinator for the Steelworkers in northeastern Ontario. Beside me is the vice-president of local 6500 of the Steelworkers in Sudbury. His name is Dan O'Reilly. Both of us have gone through apprenticeship programs with our previous employer, Inco Ltd. Dan finished a four-year apprenticeship as an electrician; I completed a four-year apprenticeship as a motor winder and a four-year apprenticeship program as an electrician also. That's our background.

Our union, the Steelworkers, represents more than 12,500 workers in northeastern Ontario and over 85,000 in the province. We represent workers in most types of businesses. Many of those businesses have apprenticeship programs in existence today.

We're not surprised by the introduction of Bill 55 by your government. Ever since you were elected in 1995, you have been systematically dismantling every piece of legislation that gave workers and their families protection and security. Bill 55 is just another example of that. The impact of Bill 55 will be devastating to the people of this

province and will be devastating for the province in the long term.

The deregulation of the province's current apprenticeship program is nothing more than a political payback, as far as we can see, to your special interest groups in big and small business.

Bill 55 contravenes a common sense approach. In fact, it's very confusing to us and to the people of Ontario. Pro-free-trade governments such as yourself have preached that we have to compete today in a global marketplace. You said you were going to give your constituents in Ontario the tools to be competitive. In education you introduced province-wide tests that would show students where they stood compared to others in the province and across the country. You said we needed to have world-class educational standards to compete in the new global economy. Bill 55 goes in the complete opposite direction. It's a complete reversal of what you're doing in education. It's a bill that removes and lowers standards. It removes the minimum educational requirement for education for apprentices, which is currently set at grade 10. Rather than lowering or abolishing the education requirement, the government ought to be seriously thinking about raising that requirement.

It would abolish the current requirement that apprenticeship programs run for at least two years. It eliminates the current ratio which limits apprentices to a certain number per journeyman worker so they are not just used as a cheap labour source. It deregulates wages for apprentices, leaving them up to negotiations with employers, and it would introduce tuition fees for apprentices for the first time. But most of all, it would dismantle the current 200 apprentice trades in Ontario, and as I said, that would be devastating. I can just picture an apprentice one on one with a non-unionized employer trying to negotiate himself terms and conditions of employment for his apprenticeship program. It's a crazy idea; it's never going to work.

When all is said and the damage is done, workers will only be trained in certain skill sets within the current trades, at a time when workers' knowledge and skills should be expanded, not decreased.

Bill 55 would see massive deskilling of apprentices. Your government has lost touch with reality and what is going on across the province in most major businesses.

With many of our employers, apprenticeship training is being expanded so that apprentices, upon completion of their program, are more skilled and offer more value to

their employers. It is this type of vision, this type of planning, that will ultimately allow these businesses to compete in the global marketplace.

The current system, which is a blend of workplace and academic education, is very successful. We speak from experience. Experience on the job, as much as theory, is central to learning for an individual. The sharing of skills and knowledge from the journey person to the apprentice is the reason for the program's success.

The apprenticeship program helps to build a skilled and competent workforce. It enables the province to attract investment, which in turn creates jobs. Apprentices, under the current system, have skills that are very transferable from business to business and from province to province. Deregulation and deskilling will eliminate this portability, which would be disastrous for the individual once again. It would be disastrous for the country if this legislation is passed. It will undermine and erode our current base of wholly skilled workers, something we're proud of in Ontario. This would be depleted. This will hurt businesses and, in turn, economic growth. The creation of semi-skilled workers will put us all on an equal footing with such countries as Mexico and others in Central America.

Bill 55 proposes to completely deregulate the apprenticeship system in Ontario. It is designed to shift the focus from apprenticeship as an employment relationship to apprenticeship as an education and training relationship. It removes the enforcement of the regulatory provisions that currently regulate ratios and wage rates, and removes entry levels and duration of the contract from the act.

The government contends that this is being done in the name of flexibility for industry and removing barriers for young people. Apprenticeships aren't just for young people; they're for all people, all ages, regardless of sex.

We agree that legislation regulating the trades and apprentice programs should be flexible enough to recognize genuine new trades as technologies change. I think we've been successful with respect to that in the past. But flexibility must not be used as an excuse to fragment existing trades into partial components or skill sets which are then treated as new trades in themselves.

Bill 55 redefines the work of specific trades to that of simple skill sets. This will lead to an increase in multi-crafting and multi-skilling and a further fragmentation of existing trades. This short-sighted view fails to recognize that it's necessary for tradespersons to understand the entire trade, not just a set of tasks. The creation of skill sets will compromise the health and safety of workers, as well as consumer safety and environmental protection, by producing a generation of workers who lack an understanding of their complete trade.

The government has stated that these reforms are designed to expand opportunities for Ontario workers. But this fragmentation of the trades will lead to an overall deskilling of the workforce in this province. It will create a new class of semi-skilled workers whose employability and mobility will be severely limited, limited to those people who are going to set these skill sets in their workplaces. As the government states in its media releases, a

sponsor will be able to train apprentices in skills specifically for his business. These workers will not have a complete trade that is recognized outside their particular industry or province, or outside that workplace if we go any further.

Similarly, the amalgamation of parts of complete trades into new trades — multi-crafting — is a practice that undermines apprenticeship programs and trades, diminishes the quality of work and harms workers. If this government really wants to raise standards and "increase the competitiveness of Ontario businesses" as they state in their releases, they should be mandating that employer-established, non-regulated designer trades come under regulation through established apprenticeship training programs. With that as a starting point, they should then move the entire system toward compulsory certification for all trades.

Compulsory certification is essential to ensure increased flexibility and mobility, as well as higher standards, higher skill levels, higher-quality training and increased employer confidence in and support of the apprenticeship system. Compulsory certification helps to safeguard the health and safety of workers and the protection of consumers and the environment.

Workers who are not properly trained in the safe and efficient operation of equipment and machinery pose a safety threat not only to themselves but to the general public. Poorly trained workers become a cost to everyone: to employers, by way of damage to equipment; to consumers, by way of poor quality or unsafe products; and to society, by way of injuries and medical bills. What we really need in this province is a legislated enforcement mechanism that will ensure compliance with compulsory certification regulations by both employers and individuals.

0850

In yesterday's Toronto Star, education minister Johnson said Bill 55 will create a higher-quality apprenticeship system that will serve the youth of the province. That statement is an outrageous falsification of the facts. When you deskill workers, you limit their employment opportunity at home and abroad. When you lower standards in training and education, you are hurting workers, not helping them. The current apprenticeship system regulates wages based on time spent in an apprenticeship. Under the proposed legislation, this would disappear. Heaven forbid, it will probably be wages below the minimum standards in the Employment Standards Act. Apprentices of the future would be paid at the whim of the employer, and this is supposed to be good for apprentices?

The bill even goes further: It will now pass on the costs of training to the apprentice, which will act as a deterrent to potential new apprentices contemplating entering the trades. Mr Johnson says this is good for the province of Ontario, good for the youth of Ontario. We fail to see where, in any of your legislation.

If you look at other jobs in society, would your government dare break up the job of a physician into different skill sets, which would create a doctor qualified only to

treat certain parts of your anatomy? Would you break up dentistry into skill sets, which would create a dentist only qualified to pull molars? Would you break up the job of a lawyer into a variety of tasks, which would create a lawyer who only handles family law? The answer is no, because it doesn't make sense. A doctor needs to understand the whole body, a dentist needs to understand teeth in their entirety, and a lawyer needs to understand the whole law, not just fractions of the law, not just pieces of the bar but the whole bar.

In order to graduate from our universities and colleges in Ontario, a student needs to complete the entire course, not just parts of it, to get a certificate. Apprentices need to understand the entirety of their trade, not just pieces of it, as Bill 55 suggests.

The apprenticeship training system is crucial to economic growth precisely because it helps build a skilled labour force. Apprenticeship training is a cost-effective and efficient method of training for industry, as 90% to 95% consists of on-the-job training. History has shown this is the best way to train people. In the end, people are the best qualified using that system. The apprenticeship system, as we know it today, provides future skills for industry and the economy.

The current act is not perfect and changes are necessary, because the regulations and the act are in conflict in some areas.

Industry, consisting of employers and employees, must have input into the design of apprenticeship training. They must be willing to accept more of the responsibility and take more initiative to ensure that the system is sustainable and meets all needs. The government must continue to play a role in terms of both funding and legislation. Legislation is the only means of ensuring industry involvement in setting standards, standards that are very important to the economy of Ontario. We must protect consumers. We must ensure worker health and safety. The government must monitor the supply of skilled labour in this province.

Bill 55 is not about apprenticeship training. It is a bill designed to drive down wages and to lower standards. It is a bill that Ontario does not need and that the people neither want nor deserve. It is a destructive bill that will definitely put up barriers to future economic growth in our great province.

With this in mind, and if your government is really serious about quality apprenticeship training, we urge you to withdraw Bill 55 and to meet with all partners to enhance the current act and eliminate any irregularities that exist. Thank you for the opportunity to state our views.

The Chair: Thank you very much for your input. At this point, there will be a couple of minutes per caucus for questions. I'll start with the Liberal caucus.

Mr Michael A. Brown (Algoma-Manitoulin): Good morning, Wayne. As someone who has gone through the Elliot Lake experience with quite a number of your members, the portability of skills is an increasingly important facet in our economy. I recall, during those rather black days, having some difficulty even then transferring skills, ensuring that the skills that someone had acquired at, say,

Denison or Rio Algom were transferable to other mines. I share your concern that this is going to make it worse, not better. Would you like to expand a little bit about the portability?

Mr Fraser: Fortunately, with respect to the Elliot Lake experience, those tradesmen who were in the apprenticeship programs that existed in Elliot Lake now are probably working elsewhere throughout the province. A number of people from Elliot Lake who lost their jobs because of those plant closures are now working at Inco and Falconbridge here in Sudbury because their apprenticeship programs are similar.

Mr Michael Brown: The problem we were having was sometimes between the employer and the Ministry of Labour. Some people who had acquired particular skills were not given credit for it. We had a fair bit of trouble.

I'm just amazed. I think this whole bill is one of those doublespeak bills. It says it's intending to do one thing and does exactly the other. It obviously lowers standards. It comes up with some amazing ideas, that if there are more apprentices to every journeyman, that will be better. I find that absolutely incredible, that less teaching and less supervision is going to help you be a better apprentice.

Have your union and the labour movement in general done any kind of work on the marketplace, what particular trades you believe might be in demand over the next 10 or 15 years, and then had a look at how this bill might address those concerns?

Mr Fraser: When we heard about Bill 55, we approached both Falconbridge and Inco. They're not making presentations here today. They believe the current system is adequate to cover their needs in the future. What's surprising, when you think about Bill 55, is, who drafted it? I don't believe it has been put in place using the experience of tradespeople in this province, and it doesn't recognize what we're going to need in terms of the future, the new millennium, which is disastrous.

Mr Blain K. Morin (Nickel Belt): Thanks very much, Wayne and Dan, for the presentation here today. Hopefully this government will take a strong view of what you've had to say. My party's, the New Democrats', position is that we're extremely concerned with the lowering of the standards. We view this as a wage grab by this government and their ability — and you've hit on it — to reduce minimum wage for apprenticeships.

Being involved with the Steelworkers, my question today to you is, how do you view the training, or the lack of training, with Bill 55 and how is that going to affect health and safety, for example, in the mines, which you're probably more familiar with?

Mr Fraser: To reduce an apprenticeship program that currently exists into small skill sets, what you're going to see in workplaces, whether the government wants to believe it or not — let's assume that you break the electrical trade into 25 different crafts now, as Bill 55 suggests. Whatever skill set an employer may want for his particular workplace, that will become an apprenticeship program, and that worker will be trained in that asset. When he goes and actually does work in the workplace, they're

going to be thinking that person has a lot more ability, understanding and knowledge about the entire trade, and he's going to be used to do jobs that he won't be qualified for. His safety and the safety of others in any environment, whether it's underground or on the surface, is going to be disastrous.

In the manufacturing sector, I would think it goes further, because if they're producing goods for the population and they're only semi-skilled in certain parts of the trade, that's going to have a disastrous effect with respect to the outcome of the product in terms of safety standards.

Mr Bruce Smith (Middlesex): Thank you, Mr Fraser, for your presentation this morning. The committee has had a lot of —

Failure of sound system.

Mr Smith: — about 6% have less than a grade 12 education. So obviously, the educational levels of attainment that apprentices have today far exceed that presently.

Given that scenario — and I'm not suggesting this to be argumentative with you — how relevant is the grade 10 provision, given that a significant number of our apprentices are already attaining a level of education well in excess of that?

Mr Fraser: When you know you've got a piece of legislation that says you can't go below grade 10, that is what's keeping the education standards above. If you take that out of the act, you're going to see employers bringing in apprentices with grade 8, possibly grade 9. Rather than lowering the standard or eliminating the standard from the act, what you should be doing is increasing the standard, because if you look around the province, you're absolutely correct. Employers aren't grabbing people with grade 10. Inco and Falconbridge are taking people with college degrees. So your standard in the apprenticeship act should not be eliminated, but should be increased. That's how you raise standards in the province. You don't take it away and say, "It's whatever people want to have."

Mr Smith: The reason I'm asking that is because this bill proposes that standard should be established by provincial advisory committees. In fact, we had the craft of roofer before us yesterday. They've applied for an exemption to permit a standard of grade 8, for example. They suggested that this reflects their industry demand. I'm not questioning their motive, whether —

Mr Fraser: That's my point, exactly. You'll have employers who say, "We'll only need grade 5."

Mr Smith: No, sir, that was the union that made requests for that exemption. The point is, is it not better to have industry represented by union or employee and employer groups making a determination —

Mr Fraser: It's better to have a regulation that says the minimum standard with respect to any trade should be grade 12 or even college degrees. That's how you increase standards in Ontario, not by eliminating it.

The Chair: Thank you very much for your presentation this morning.

0900

NORTHERN ONTARIO JOINT APPRENTICESHIP COUNCIL

The Chair: I call the next presenter this morning, Northern Ontario Joint Apprenticeship Council. Good morning and welcome to the committee hearings.

Mr Timothy Butler: Good morning. My name is Timothy Butler and I have sitting with me an electrical apprentice, Marcia Ranger. I am current chair of the Northern Ontario Joint Apprenticeship Council. I am here today deeply concerned with the direction the Ontario government is planning to take with the Apprenticeship and Certification Act with respect to the electrical construction trade.

The Northern Ontario Joint Apprenticeship Council, otherwise referred to as NOJAC, was established in the early 1970s through the joint effort of the Electrical Contractors Association of Northern Ontario, or ECANO, and the International Brotherhood of Electrical Workers, or IBEW, local 1687. NOJAC was and still is today dedicated to the superior development of electrical apprentices in northern Ontario.

The NOJAC council consists of three representatives from the ECANO and three representatives from the IBEW, local 1687. Each party also appoints one alternate member to the council. Sitting at the NOJAC table, however, we do not sit as representatives of management and labour, but set aside our personal interests to sit as NOJAC, with only the best possible interests of our electrical apprentices in mind. NOJAC works very closely with the Ministry of Education and Training, having their representative sit in on the NOJAC meetings. This unique coalition has developed into a very effective tool in developing quality, skilled tradespersons in the electrical construction industry in northern Ontario.

NOJAC is responsible for the development and institution of the apprenticeship training plan and any selection, induction and training of electrical trade apprentices. NOJAC's duties are to receive applications for new apprentices. NOJAC delivers a mechanical aptitude test to all new applicants who wish to become an electrical apprentice. Only applicants who score 80% or higher are accepted for an interview to become an electrical apprentice. NOJAC monitors and verifies hours worked by the apprentice throughout their entire apprenticeship contract, and keeps up-to-date records on every apprentice with respect to the apprentice employment and work record, trade school, and supplementary courses taken by the apprentice.

Due to the very nature of the construction industry, it is common that an electrical apprentice work for several electrical contractors throughout their entire apprenticeship. NOJAC provides the common denominator between the electrical apprentice and all the electrical contractors who will employ them during their apprenticeship, ensuring that the electrical apprentice receives a consistent level

of training and education throughout their entire apprenticeship contract.

With the co-operation of the ECANO and the IBEW, local 1687, NOJAC goes well beyond the minimum training requirements of an electrical apprentice. Together, along with the co-operation of the Construction Safety Association of Ontario, NOJAC provides mandatory training to all of our electrical apprentices. For example, all apprentices are required to take the accident prevention educational program, or APEP for short. This program consists of a five-level course and is delivered to the apprentice at the appropriate times during their apprenticeship, when they need this training the most. The APEP course ranges from understanding the Occupational Health and Safety Act to working around live electrical equipment, from safety in rigging to the proper use of the tools of the trade.

All apprentices are required to have a valid first aid and CPR certificate within the first year of their apprenticeship. NOJAC ensures that the safety of all apprentices is a priority. This training, I might add, is above and beyond all regular hours of work and any on-the-job training provided by any one employer.

What does this mean? To the ECANO, it means a safer worker with fewer lost-time injuries on the job. This relates to lower worker compensation premiums for the contractor. The training delivers a more productive worker to the employer, which enhances not only their company but the electrical trade as a whole.

To the IBEW, it ensures they can provide to the electrical contractor a quality tradesperson with the right skills to complete any job or perform any duties they may be asked to do. As a construction electrician, I have worked in the trade for over 21 years, and I can tell you that, working construction, you will be asked to work on every type of electrical installation, each having its own specific hazards. Being able to identify specific hazards on the job is sometimes not as easy as it sounds and is one of the most important responsibilities a journeyman has to his or her apprentice.

To the electrical apprentice it means that he or she will become a quality tradesperson, having confidence in the work they are required to do. This training better prepares the apprentice for what lies ahead of them during their apprenticeship, and ultimately as a journeyman working in the trade. Isn't that what the apprenticeship program is all about, developing quality skilled trades which are in demand for today and tomorrow?

Withdraw Bill 55: I can honestly tell you that being unsure of what you're doing in the electrical trade is very deadly. In most electrical accidents on the job, there is no second chance. At the blink of an eye, your whole life can change. Every day electricians work with something that is invisible to the naked eye. You can't tell if a piece of equipment is dead or alive just by looking at it. However, the knowledge and experience you learn as an apprentice in the electrical trade determines if you are alive or dead at the end of the working day.

In the early history of NOJAC, it was recognized by the council members at that time that the minimum educational requirement of grade 10 for an electrical construction apprenticeship was inadequate in developing a quality trade electrician. The minimum grade 10 requirement did not provide new apprentices with all of the academic skills required to excel in the electrical trade. Therefore, NOJAC raised their educational requirement for all new applicants to a minimum of grade 12. To this day, the minimum grade 12 requirement is still maintained. Today, however, we see more and more new applicants who wish to engage in an electrical apprenticeship applying at the NOJAC office exceeding our minimum requirement of grade 12, having completed college or other post-secondary courses. This level of education only enhances the quality of skilled electrical tradesmen and tradeswomen who are in the workforce today. Withdraw Bill 55.

This brings me to the electrical trade school. There is in place right now a new curriculum standard for the construction and maintenance electrician apprentice who attends trade school. This apprenticeship in-school curriculum standard was adopted in August 1996 and was developed by the electrical college curriculum advisory committee. This new curriculum reflects the changes to the electrical code, and materials, equipment and technology since the previous curriculum revision was made in the 1980s.

This new curriculum incorporates many of the technological advancements within the last decade which have greatly influenced the electrical trade. The success of any electrical apprentice depends highly upon the delivery of a sound trade school program which lays the foundation of theory and practical applications alongside the relevant codes and standards. Any other medium of learning available to an apprentice, whether it be correspondence or through the Internet, would be a welcome addition to trade school, but can in no way replace trade school, with its theory and hands-on labs which have to be performed by the apprentice.

0910

On the very last page of the curriculum standards trade school outline for the construction and maintenance electrician, the electrical college advisory committee makes the following recommendation:

"While a grade 10 education has long been the minimum entry requirement for an electrical apprentice, the level of education required for success in our electrical industry is ever increasing. It is strongly recommended, therefore, that, to ensure student success, the electrical apprentice enter the in-school training program with a minimum equivalent of grade 12 physics, chemistry, communications and mathematics."

What exactly does that statement mean? To me, this recommendation means that in order for an electrical apprentice to excel and pass the trade school requirement of their apprenticeship contract, they need a minimum of a grade 12 education. Anything less than that will result in failure or substandard learning. Withdraw Bill 55.

Under Bill 55, removing the minimum educational requirement of grade 10 standards for the electrical trade will only degrade the quality of the electrical tradesperson which the apprenticeship program was designed to produce. I do not believe the government of Ontario is trying to promote our youth into dropping out of high school in the hope of becoming an electrician, but should be encouraging our youth to remain in school, acquiring a good education, which is a building block to developing the tools necessary to succeed in today's demanding marketplace. To this end, Bill 55 should at the very least maintain the minimum standards of education already in place or increase the minimum standards of apprenticeship to grade 12 or OAC level. This is not an unreasonable request. Look at today's technology and how fast our world around us is changing. I do not think that rolling back the clock on entrance requirements has any benefit whatsoever to a new apprentice just starting out in the electrical trade. Withdraw Bill 55.

Point in fact: The International Brotherhood of Electrical Workers, local 1687, often organizes a non-union electrical shop. All electrical apprentices who are employed at that time by the electrical shop are immediately accepted by NOJAC, regardless of their level of education, and placed into our apprenticeship program. NOJAC standardizes their contracts of apprenticeship. I have seen contracts of apprenticeship as low as 900 hours per term, which translates to a 4,500-hour apprenticeship. This short duration of apprenticeship will not make a quality tradesperson, as it is only one half of the standard contract of apprenticeship in the electrical trade.

Some of these electrical apprentices who are brought into NOJAC through certification only meet the current grade 10 requirement. I can tell you at first hand that these apprentices have struggled with trade school under the old school curriculum, not having the educational background to maintain the level of rigorous training which is expected in trade school. With the new curriculum now in place, these apprentices will become completely lost and unable to keep up or comprehend what is being taught in trade school. The end result is failure, and the apprentice will have to repeat the trade school term. Withdraw Bill 55.

NOJAC directs these apprentices who have problems with trade school to upgrade their education in order to achieve their grade 12 high school diploma. However, this is not always easy, as the construction industry in northern Ontario is directly related to the economic activity in the province. The mobility of the electrical construction trades workforce has always been the traditional method of meeting the skilled labour demands in the province, wherever they may be. You travel where the work is; hence the term "journeyman." So, you see, upgrading an apprentice's education in order to facilitate trade school is sometimes very difficult. They enrol in an upgrade class, and the next thing they know they're off to Timmins or Kirkland Lake on a new job.

Eliminating the funding which the government now provides to the apprentice to attend trade school is a step

backwards in the training of an electrical apprentice. Not all trade schools are local for an apprentice. Some apprentices are required to relocate to another city for the duration of their schooling. Let's not forget that apprentices are people. They have spouses, children, mortgages, and let's not forget, municipal and provincial taxes to pay. Their responsibilities to their families do not stop while they are in trade school. They have to buy groceries for their families at home, winter boots for their children, gas for their car to travel from trade school to home on the weekends.

The restrictions to employment insurance already restrict and burden an apprentice financially. The manpower supplement which an apprentice used to receive during the waiting period before their EI premiums start has been eliminated. It's hard enough to be collecting EI premiums at home and pay all the bills which come in, let alone relocate to another city, pay for lodging and food there and pay for all the expenses at home. Everyone is entitled to a place they call home, right? How is an apprentice supposed to pay tuition for trade school, a requirement of their apprenticeship, with no income for the period of time they are at school? Withdraw Bill 55.

Let's not forget what Bill 55 is proposing with respect to the apprentice wage scale — eliminating it. This will allow employers, or sponsors as they would be called under the proposed new legislation, to dictate the wages of apprentices and will only result in having new apprentices work for minimum wage or no wages at all. How does this translate into an apprentice paying for their trade school requirement? How will this encourage a person who is looking for a job to apply for a skilled trade apprenticeship? How does this make for a better skilled tradesperson in the long run? Withdraw Bill 55.

I believe the apprentice wage scale is very important to the eventual success of the apprenticeship program. The apprentice wages are currently based on a percentage of the skilled tradesperson's rate of pay. This rate is already determined by the job market. In the electrical trade, an apprentice starts at 40% of the journeyman's rate and receives an increase of 10% for every term of apprenticeship they complete. In their last term of apprenticeship they would be earning 80% of the journeyman's rate of pay.

These rate increases are a very important building block of the apprenticeship program, as wages provide an incentive for the apprentice to succeed and complete their training. It also allows them the opportunity to earn a modest living while learning a trade. The rate increases throughout the term of apprenticeship also reflect the level of knowledge an apprentice has acquired and their increased ability to perform more complicated tasks within the trade. Revoking the apprenticeship wage scale will do nothing to enhance the final quality of tradesperson which the apprenticeship program is designed to develop. It will allow a sponsor who is now paying an apprentice \$14 per hour to lay him off and hire two new apprentices at \$7 per hour for their entire apprenticeship. Is that fair? The end

result will be devastating for the electrical trade as we know it today. Withdraw Bill 55.

Bill 55 is also removing the apprentice-to-journeyman ratios. This is the most important building block and learning tool an apprentice has, direct contact with his or her journeyman. The ability to learn from a qualified, skilled journeyman directly affects the quality and end result of today's apprentice. Between 75% and 90% of the apprenticeship training takes place on the job. Reducing this ratio will only allow an apprentice to work alone, without the direct supervision of a journeyman. This is not only detrimental to an apprentice trying to learn the trade, but could ultimately result in a deadly practice. I can see a sponsor in his new van full of apprentices dropping them off one by one to job sites saying, "I'll be back at 4 o'clock to pick you up." This can't be good for the apprentice, for the electrical trade as a whole or for the customer who is relying on the skilled trades to wire their new house or store. Withdraw Bill 55.

I guess we've all heard the expression "trick of the trade." I can remember when I was a third-year apprentice. I had to put a rather large cable into a termination box. I knocked out the proper-sized hole for the connector. I'd done that before. I put the cable connector into the box and fastened it down with the locknut. No problem there. Then it came time to service the cable into the box. I tried to put the cable into the connector, but it was too big, as the space outside the box was limited. My journeyman was looking at me every once in a while as he was on the other side of the room working away. This made me very frustrated, as it seemed that there was no progress between glances. Nothing was said, so I kept working away, trying to get that cable into the box. I worked on that cable for more than an hour trying to get it into the connector. I did it all right, but by the time I had finished the job, my knuckles were scraped and bleeding from the sharp sides of the termination box. My hands were sore but I was proud that I had finally completed the job. I had thought my journeyman had given me that particular job because he didn't want to scrape his knuckles.

In passing, on the way home that night, my journeyman said to me, "Try putting the connector on the cable first, then put it in the box." I thought for a minute, and said to myself, "That would have been so easy to put that cable in." You can bet the next time I had to put a cable in a box which was tight for space, I put the cable connector on the cable first. You know, it works, and my knuckles are now no worse for wear. It's tricks like that will be lost and not passed down to the new apprentice who wants to learn the trade. The ability for the apprentice to learn the tricks will be gone. I've learned a lot of tricks of the trade, and I am still learning them today. Sometimes I even pick up a hint or two from an apprentice.

Today I think the public has confidence in the fact that the new home they just purchased is free from electrical defect and safe for their families to live in. Will that confidence be compromised in the future? Would you have doubts in buying a new home knowing a second-year apprentice wired it, or would you have the same doubt if

you knew a qualified journeyman and his second-year apprentice did the job?

0920

As a construction electrician in Ontario, I take pride in the quality of tradesmanship I show in the work I do. The work I do on the job is done as if it were my own. I am confident in the skills I have learned through the apprenticeship program I followed and know that I can go anywhere and do any job asked of me right the first time. That's what the apprenticeship program should be all about — quality, not quantity. Withdraw Bill 55.

In conclusion, I believe the Ontario government's Bill 55 one-size-fits-all approach to the Trades Qualification and Apprenticeship Act does not fit; at least it does not fit the electrical construction and maintenance apprenticeship program. I urge the government of Ontario to withdraw Bill 55.

The points I've brought forward to you here today are but a few. Others will present important key issues to you today that should be addressed. It's funny that this proposed bill, the Apprenticeship and Certification Act, 1998, is missing the words "Trade Qualification," don't you think? Don't pass this bill. It's not right.

Thank you very much.

The Chair: Thank you very much. You've used pretty well all of your time.

UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE US AND CANADA

The Chair: With that, we ask the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the US and Canada, local 800, to come forward. Good morning, gentlemen.

Mr Jack Cooney: I would first like to thank the committee for the opportunity to make this presentation here today and the time you've allotted us. With me is Mr Ron Laforest, who is the business manager of Sudbury local 800 of the plumbers and steamfitters united association of the United States and Canada. He is a steamfitter by trade, and served his apprenticeship, worked as a journeyman, a foreman and a superintendent prior to his position as the business manager.

I, Jack Cooney, am the educational coordinator. Speaking for the trade as a whole, I have spent my apprenticeship as well as being a journeyman, a foreman, estimator, and educational coordinator for the last 25 years.

We are speaking here today on behalf of local 800, Sudbury.

I must draw to your attention right off the bat that the Ontario apprenticeship program under the Trades Qualification and Apprenticeship Act is really the envy of the world as it is now.

I was fortunate enough to be sent by the government of the day to Germany for two weeks to study the German program, and found that the German program was great in

the industrial sector through BASF, through the likes of IBM and Mercedes-Benz, but when it came to construction, we could not find a construction site that they could take us on. The closest thing we got was a printing shop which said at the time, "We use apprenticeship as cheap labour." I'm afraid that's what is going to happen.

I've also attended for the last 40 years, along with my counterparts, a teacher training program put on by the United Association in the US. Last year we had 1,200 teachers throughout the US and Canada down there taking training to be a good trades teacher. So we have the American knowledge, and the system down there is nowhere like it is in Canada. In fact, we are the envy of the United States when it comes to that. Our journeymen, our apprentices, are so far ahead of the US it isn't funny, because if they go down there, they wind up the superintendent, the foreman, the owner. There is no comparison between the two.

This is the system that it looks like we want to tear apart. We want to come down to their level. I don't think that's good for our apprentices, our industry. We need the standards to be higher, not lower.

On the other part of this bill, where it says they want to double the apprenticeship from 11,000 to 22,000, it gets to a point where people forget that apprentices do not create jobs; jobs create apprentices. Our industry, like all others, will take on as many apprentices as we can so that we can do the job to train them properly in all phases of the trades. It's not that we can turn around and bring more apprentices on just to meet a need for a short time, to have them unemployed later on. Once again, we believe that, to put it very simply, apprentices do not create jobs; jobs create apprentices.

We get to the point of looking at definitions, if you will, of what is an apprentice. Under Bill 55, in short, an apprentice is one that receives a skill set, part of a trade, but not a complete trade.

In northern Ontario, more so than even southern Ontario, where an apprentice has to travel from job to job, from employer to employer, it is tougher because they have a further distance to go. It's not as if they're going to drive 20 miles. Some have to drive 200 miles. In fact, in certain cases they must be on a construction site where they have to live for a month or so and only travel back and forth. Could you see an employer hiring a journeyman who can only do one phase to go out and live on a camp job, and during the other part of the time he sits there unemployed and they keep paying him waiting for his phase to come along? We have to have men and women who are completely trained, who can go out there and do the job from start to finish, because once again, that apprentice or journeyman could be working at home where they go from job to job, employer to employer.

Construction is quite different in that respect. It is not like an automotive shop or a hair salon or an industrial plant where an apprentice starts and pretty well finishes his whole trade, and probably spends many years as a journeyman within that area. At the same time, they have to be fully qualified. I wouldn't want to go in and

have the little hair I've got cut off where I had nothing left.

I think we get to the point of the purpose clause. The purpose clause is very important. It could and should be added to this present Trades Qualification and Apprenticeship Act. But I think the clause is missing the key points. The key points, of course, include complete training. In fact, the word "training" does not show up in there. If you look far enough, it's buried in there somewhere, but it's not really shown. The other thing that is not there is any in-school or theoretical training. It talks all about workplace-based training. You're asking us, the workplace, to do the training, and not listening to us when we tell you how that training needs to be done and how it has to be complete.

There are other things within that purpose clause that have to be there: consumer protection, health and safety, environmental protection. Once again, the point is that you should have it at the lowest possible cost. We're not saying that it should be gilded and all that; it should be done as cheaply as possible from the point of a complete job done in a safe, workmanlike manner as soon as possible.

Sponsorship is another area where this bill is very lacking. Once again, as I pointed out, you have asked us to do the training, but you want to give the sponsorship to anybody. As it stands now, a community group made up of teachers, housewives, shoemakers, whatever — and I'm not knocking them; don't get me wrong. The point is, I don't know how they know what an apprentice plumber or steamfitter needs to know. I don't know how they can regulate the on-the-job training, the work-based training that you're asking them to do, when they have no knowledge or control of it.

0930

We have to go back to the employer-employee relationship. The employer has direct supervision of that apprentice on the job. He knows where he can be moved around. I, very fortunately, worked with a progressive company when I was back in my estimating days where they did have an electrician owner, a plumbing owner, a sheet metal owner, a journeyman for each one of those trades, as well as an apprentice from each one of those trades, sit on a committee and look and move the apprentice around till he got a complete training. That's what we need more of, not less of. Under Bill 55, where the sponsorship is given out to somebody else, we definitely will get a lot less in that area.

We've heard ratios mentioned many times. Once again, we know ratios are an important part of the training tool. I hear people say that under the act now, it isn't there, the way of controlling it. That is incorrect from the point of view that the ratios are there. I agree that the enforcement has not been there, but at least it has some legitimacy.

You mentioned earlier that it would be in the regulations, and the PACs could set those. Yes, they would be set as guidelines. Guidelines are unenforceable and therefore would not hold the water that they should; in other words, they would not contain the enforcement ability that is there. I think it's so important with the ratios, not from

the point of just having a number there, that it should be written in the act, "under the direct supervision of" so that you cannot turn around and have apprentices on one job where there's supervision on some other job. He has to be under direct supervision. I believe that's the way it is now, or that's the way I've always interpreted it.

Wages: Once again, wages are a very important part so that he or she then has the ability to afford to carry on with the trade. We would like to get the youth in; there's no argument about that. The reality is that a lot of them, even though they're young, do have a family, do have mortgages, do have car payments — as pointed out earlier, have all of the things that us older people have. In fact, we're probably a little better off, a lot of us, with our mortgages paid off or our car paid off. But in their case, they have to carry them, and they need the wages to do it. To turn around and take the wages out and let that individual negotiate his or her own wages with some unscrupulous contractor, unfortunately that will not happen, and they will be forced to the minimum wages, the minimum standard.

I would also point out under this that an apprentice learning a new skill in his first year — and I use the term "first year" only as a point to know that he hasn't had any prior skill — or a person who's been around for five years and who has all kinds of skills in essence would get paid the same wages because it's a new skill they're learning under this system.

I believe this system is completely flawed in Bill 55 and should be withdrawn to keep on with the present Trades Qualification and Apprenticeship Act, with the changes that are needed.

As I say, one could be a purpose clause put in.

The PACs should be looking at wages and ratios all of the time. They should be adjusting them all the time to meet the needs of the time. It's not a fixed one.

Education: I think you're asking a lot for the industry to do the education in the workplace of our youth; it should not turn around and also do the part that should be done by the school system.

I'm in receipt of a letter above the signature of Minister Dave Johnson. It says:

"Bill 55 received second reading in early October 1998. Third reading should occur later this year with proclamation by spring 1999. At that time, I hope to have the necessary regulations and operational policies in place to enable full implementation of a reformed apprenticeship system."

I question, if the regulations are not there, why are we passing it now, without them? Is it a matter of passing it to say, "Trust me, I'm the government and I'll do what's in your favour"? I think Bill 55 should be withheld until the regulations are done, and you'll find at that time we'll have a far better system under the present Trades Qualification and Apprenticeship Act. It therefore should be kept in its entirety with some accumulation of important things that should be added to clean it up. Don't throw the baby out with the dirty water. Let's clean the water.

The Chair: That leaves us about a minute per caucus. I would start with the NDP caucus.

Mr Wayne Lessard (Windsor-Riverside): Thank you very much for your presentation. You mentioned that you have some experience in the United States as well. I'm interested in knowing whether you're aware of any jurisdictions in the United States that may have gone down this road the government is proposing in Bill 55 and what the experience has been there. We were presented with a report a couple of days ago, prepared by the Business Roundtable, that indicates that in the southern United States, where they've gone down this road, they're running into severe shortages of skilled workers. I wonder if that's something you're aware of.

Mr Cooney: From my experience in the united association's training program over the last 40 years, we have noticed throughout the United States that there is no comparison when it comes to the construction industry. They are so far below that if you don't get trained by the union down there, there is no training. We do not want to lower the bar to that standard. As far as construction is concerned, we have the bar at a very high level and that's where it should stay.

Mr Smith: Thank you, sir, for your presentation this morning. You made reference to the issue of sponsors, and in particular sponsorship. That's an issue that has been raised on a number of occasions. Currently, there are joint apprenticeship committees and local apprenticeship committees within the construction sector. In fact, your employers of record in part — my understanding is the intent of including the definition of "sponsor" was to recognize a practice that's already occurring in the construction sector. As you're not the employer of record, you would obviously then be recognized under this legislation as a sponsor to those particular committees. Have I been advised incorrectly in that regard? Does this bill in that context not address what you're already doing in practice?

Mr Cooney: In essence, what we're saying here is that there are some areas that have what we call local apprenticeship committees that handle the trade, or JTACs that handle the apprentices. I have over 350 apprentices under my control, if you want, right now. However, of that, some 330-odd are registered to the individual contractor. I have about 20 who are in transition with one employer who have to be under the direction of the joint training.

We have the ability, because we're directly linked with the employers in the joint training and apprenticeship committees, management and labour, to direct and move people around to get full training. This would not be true when you look at a sponsor in the area of a school board, in the area of the Toronto training board, in the area of your community group that does not have that ability. I think once again it's an area where if you wanted, you could look at the present TQAA and say, "Hey, this is an area we have to clean up to make some provisions to allow for that," but to turn around and take it all out and put in a sponsor that could be anybody and anything I think is going the wrong way.

0940

Mr David Caplan (Oriole): Mr Cooney, thank you for your presentation. It covered an awful lot of ground. One of the aspects I heard from the minister and from some of the government members detailed the journey-person-apprentice ratios. The claim was that journeypeople were not necessarily supervising apprentices. They could be in different cities; they could be in different locations. You've been involved in apprenticeship for, I think you told us, something close to 40 years. In your experience, is that the case, what the government is claiming is true, that apprentices are off to some other job site or some other city unsupervised, or are those ratios being used for training of apprentices and for ensuring that jobs are properly done?

Mr Cooney: Once again, it's a point that under the act you are to be in direct supervision. I think in most cases that is correct. The unscrupulous contractor they're talking about is out there. The problem is that the enforcement is not there. Coming up to Sudbury, we have a series of highways that have speed limits. If I knew there were no policemen on there, I could drive anything I wanted. As it is, I'm going to keep my eye on that speedometer. What we have out there now is no enforcement. Therefore, there is flagrant abuse of the system and this will not clean up that abuse; in fact, it will make it worse. I do not know how you would go in and say, "Here's a restricted skill set of a plumber to put in drainpipe," and when you walk up there and he says, "No, I'm just adjusting the hanger. I'm not putting the pipe in" — how you're ever going to catch him is beyond me. It just won't work.

The Chair: Thank you very much.

CANADIAN AUTO WORKERS-MINE MILL, LOCAL 598

The Chair: At this time I would call the CAW-Mine Mill, local 598. Good morning, gentlemen. Welcome. I'd ask you to give your names and whatever information for the members of the committee and Hansard.

Mr John Bettes: I'm John Bettes, director of the skilled trades department for the CAW of Canada. With me are Rolly Gauthier, the president of local 598, Falconbridge, and the old Mine Mill unit; and Yolly Perrin, electrician, skilled trades rep in the operations at Falconbridge and also a member of the area council for the Canadian Skilled Trades Council, covering all of Canada.

As you know, the CAW has presented two briefs: one in Toronto and one presented by Buzz Hargrove yesterday. I'm not going to go through that again. I just want to hit and highlight certain areas and then I'll turn the floor over to one of my fellows.

Our problem with the act: We think the committee should know that we don't see the act affecting our current members. As a matter of fact, in five years' time all it's going to do is boost the rates of pay for the existing people who currently work within the skilled trades, who have served their apprenticeships under the old act or under the provisions we negotiated in our collective agreement.

What you'll be doing is creating a shortage of fully trained tradesmen who are required by a modern industry or a modern mining system in this province.

Right now, the corporations rely on the fact that a tradesman has the skills and knows his trade and he simply picks up his job or does his job with very little supervision. As I told you in Toronto, the days of one supervisor for every 10 journeymen are well behind us and gone. You can have literally hundreds of tradesmen working with one supervisor in an operation. The corporation relies on the flexibility of the training of those apprentices in order to keep their operations working.

I'm not worried about the large corporations in this province or the large parts suppliers or the large mines. They'll always make out. Some of the corporations that are not even unionized in this province, such as the one that is our major supplier in the parts industry — I'm not too worried about them getting along. They've got the money; they'll pay the bill. What happens to the rest of the operation? What happens to the rest of the corporations in this province? They're going to be left with the substandard or skill-set-trained tradesmen. I don't know what that means. The act doesn't even talk about trades any more; it talks about occupations and skill sets.

I don't know where that's going to lead to except a shortage of trades, which is already critical in this province. You can't supplement from the United States, because they have a critical shortage. The federal government, by the way, has recognized and is changing the Immigration Act currently — and I think you have a copy of that — to allow more favourable conditions for foreign tradesmen to come and work here temporarily because of these shortages, because of the lack of skills for the rest of industry. What this bill is going to do is create even more lack of skills, and the modern industrial set-up that we have will be in jeopardy.

The jeopardy isn't just for the tradesmen, because the tradesmen who were trained as journeypersons, and the reason they're called "journeypersons" is so they can journey from one place to the other — the majors in this country supply their labour right across Canada and the United States. For example, the Boeing operation now, which is the third-largest aircraft builder in the world, takes tradesmen from Toronto and supplies them to British Columbia, supplies them to Wichita, Kansas, throughout the United States in order to get their work performed where it can't be done because there are shortages in those locations. Will that happen in the future? Yes, with Boeing it will because they'll pay the money to make sure they get the tradesmen.

The tradesmen in their forties today, if this bill passes, can look forward to quite a bright future, but the youth of this country are finished. They are literally going to be finished by a bunch of academics who have never worked in a trade, who sit in the bureaucracy in Toronto, who designed this program. The teachers you employ in the community colleges are tradesmen. They know what they require; they know what the tradesmen require.

The tradesmen who came up through the apprenticeship system know they got their skills from somebody else — their father, their uncle, their brother or their neighbour — and they developed those skills. They have an inherent want or need to pass those skills on because that's the way they were brought up, and they want to do that. But then you have the bureaucrats who have never worked at it say: "We can break everything down in society. We can break down into skill sets." I have plenty of skill sets for a tool and die maker. It's almost ludicrous that you'll train in one skill set without simultaneously training in the rest of the trade; that you can educate people and have this type of training handed down while you learn one section of a trade. That's not how it's taught in industry. No industry teaches it that way. You have to be taught the total trade in segments as you go through the apprenticeship. That's understood by our tradespeople, and they want to do this, and they want to do it for the next generation.

I have an 18-year-old at home. If this bill goes through, God, I hope he becomes a lawyer or a doctor. Of course, if they break them down, we may have a problem there too. I might have to ship him off to Europe.

The problem we're going to have if this continues is obvious to the people who work in the industry. One of the biggest problems I've had with the ministry — I've had a meeting with the minister, I've had a meeting the directors. As we told you before, we drew in the major corporations in the aerospace, auto and auto parts sector, the majors, the ones that can change the economy of this province, and they were shocked and surprised. They hadn't been informed. They hadn't been consulted. Their claim was, from the top corporation down: "Set this aside. Let's have some discussion. What are you doing?"

I have not been told by any member of the government at this point who the hell they consulted. I just don't know. Nobody has been able to tell me to this day. The only thing I've been able to find out is that I now know what a self-employed apprentice is. That's the guy who gets sponsored by a community college, signs up at the community college, gets a youth loan from the community college for his schooling and then borrows some more money and goes out in the workplace and tries to convince a journeyman that if he'll train him, he'll pay him. That's a self-employed apprentice, all with government loans, no onus on society.

Now, with the removal of the ratios — and the enforcement provisions are gone, literally gone. The interprovincial: There was a provision in the old bill that said you had to standardize with the interprovincial certificate, the red seal. Why was that deleted from this bill? Tradesmen from Ontario will not be allowed to work elsewhere in this country? Is that the provision? That's the reason it was deleted?

0950

The journeyman ratio: Can a plumber train a tool and die maker? I guess if you break down the skill set, the bureaucrats would say: "Oh yeah, safety is similar. This is almost similar. You use a wrench, you use this, you might have to machine a flange so you must be a machinist." I

don't know where the hell you're going, but this committee should go out in the workplace. I'm not sure if you have. I would say to you, why don't you have a look at a modern workplace or a modern mine?

Look at the General Motors transmission plant, which they spent \$600 million on, where for every 20 machines they have a set-up man, an electrician and a machine repair. It's like a casino. They have little lights on them and they play music. When they shut down, the music starts and the lights come on. The set-up man and journeyman sit at a table with a big screen in front of them. It tells them the efficiency of every machine. They can operate the plants with the lights out. That plant used to employ 3,500 people in production to build 3,500 transmissions a day. It now produces 5,000 transmissions a day with 1,500 total workforce, including 450 tradesmen. Let me tell you, the tradesmen run that plant. They repair the machines, they wire it, they plumb it, they do everything in that operation. Without those high skills that plant would not be here today.

The same with the more modern engine plants in Ford and General Motors. They would not be here today if the construction trades were not available to build the new paint shops, the engine plants and to redo those foundries that were redone and billions of dollars spent in this province. If it wasn't for the construction trades in this province and the tradesmen inside those plants to keep them running, they would be in China or somewhere else in this world; they would not be in the province of Ontario, especially with the heating bills we've got here.

Let me stop at that. I could go on for days on this. Yolly Perrin has a brief statement he wants to make to the committee.

Mr Yolly Perrin: I would like to say just a few words as a tradesman and a father of three boys. I've been an electrician at Falconbridge for 20 years. The reason I am a skilled tradesman is because I went through a 9,000-hour apprenticeship and received all the skill sets required to become a journeyman electrician. What Bill 55 proposes is to qualify our children at one or two skill sets to become a quarter of an electrician or less. Why would anyone want this to happen with all the technology that is here? If anything, they should get more training. Yet, all Bill 55 will accomplish is fragment each trade and make a bunch of Mr Fix-Its or incompetent tradespersons.

Bill 55 also opens the door for our kids to have a skill set in a number of trades. Therefore, you will become a quarter electrician, a quarter pipefitter, a quarter mechanic, a quarter brick and stone mason. All those quarters might add up to one, but they sure don't up to a tradesman. How can this government or the corporations that support this bill say that this is better? The reason that corporations are making good profits is because of their skilled workforce. All this bill will do is deskill the workforce.

It is my recommendation, on behalf of the children and skilled tradespersons of northern Ontario, that the government of Ontario scrap Bill 55 and consult the tradespersons of Ontario on how we can make our appren-

ticeships better, instead of us importing skilled tradesmen from other countries. Give my boys a chance. Thank you.

Mr Bettes: We're open for questions.

The Chair: Thank you for your presentation. With that, we will move to the government side.

Mr Smith: I guess Mr Gilchrist has a question.

Mr Steve Gilchrist (Scarborough East): Sure, be pleased to. Thank you for your presentation. I appreciate your coming forward today. You've raised a number of things. The Chair didn't say how long we have, but I'm sure it's very brief.

There are a couple of things that are intriguing as we go through these presentations. There is no doubt the bill mentions skill sets; it also mentions occupations. It says right in section 3 of the act that the director must — and this isn't an option — “approve apprenticeship programs for occupations” —

Mr Bettes: Or skill sets.

Mr Gilchrist: — “and skill sets.” I come from a Canadian Tire background. I helped create the apprenticeship program for class A mechanics with Centennial College over 20 years ago. Would you not agree with me that over and above the certification of class A mechanics, many of whom — quite frankly, the guys I hired in 1975 are still in that store today. But back then we didn't have ABS brakes. Do you disagree that there shouldn't also be the opportunity for other new skills to be incorporated in the form of add-on courses or different certification; that over and above the certification of an occupation, it would not be appropriate to also have standards for those new skills that may come along?

Mr Bettes: I have no problem with new skills. By the way, the modern industrial establishment is teaching new skills all the time to their journeymen. But they make sure they have their journeymen trained in their trade first.

Mr Gilchrist: We agree.

Mr Bettes: Let me take your example of Canadian Tire. I had no problem when Canadian Tire decided they were going to train auto mechanics, but then they decided they were going to train muffler mechanics, body men, brake mechanics and give partial certification to people who can't operate on the rest of the vehicle.

Mr Gilchrist: But they're then not a class A mechanic.

Mr Bettes: Sure, they're not a class A mechanic, but they're covered under the act.

Mr Gilchrist: No, they're not.

Mr Bettes: They will be under this act. Is that not a skill set?

Mr Gilchrist: No, it's not an occupation. The class A mechanic continues to be the occupation.

You mentioned a couple of things. The old act did not say that there was to be harmonization with other provinces. The only thing it talks about in all of the old act was that if you get 69% on any test related to the red seal program, you're deemed to qualify.

Mr Bettes: Right.

Mr Gilchrist: That begs some pretty important questions. We've heard from electricians here today. You can be 31% wrong on an exam and still be considered quali-

fied across the country. We've heard from people saying you can't be 1% wrong when you're dealing with electricity, because that's a life-and-death skill.

Mr Bettes: Usually is.

Mr Gilchrist: That's a pretty low benchmark. The new act says the director must work to harmonize with other provinces. I hear you, but the act covers off many of these other things. I'm a little concerned that the regulations aren't there, and we accept that. The regulations will, in large measure, be drafted on the basis of what we hear in these presentations. It would be awfully presumptuous for us to pre-judge what you're going to come and tell us.

But coming from the CAW, which doesn't even accept the MET standards and in fact has its own certification, let me ask you this one very simple question: Why would you disagree with the overall premise of allowing industries to set the standards, whether it's ratios, whether it's wage rates, and work together? Clearly you've gone beyond the standards of the act already.

Mr Bettes: As far as we're concerned, in bargaining we have.

Mr Gilchrist: Why would that change in the future?

Mr Bettes: That won't change for us. We're protected. What about the rest of the population? There are more than 210,000 people in this country. That's what we represent.

Mr Gilchrist: You don't think any other union is capable of bargaining —

Mr Bettes: Oh, I'm not talking about the unionized workforce. What about the non-unionized workforce who add flexibility?

Mr Gilchrist: Do the PACs not cover union and non-union?

The Chair: Thank you, Mr Gilchrist. That's a very interesting discussion.

Mr Bettes: Would you read section 2, “sponsor,” and see what it talks about? It says, “training in an occupation or skill set”; it doesn't say “and.”

The Chair: I would like this conversation to continue, but we've got to make time for other caucuses.

Mr Caplan: Mr Bettes, thank you for your presentation. The government has presented a list of people they consulted with. It's obvious that they just don't listen. That's the problem here. We've heard presenter after presenter in two cities, now a third one, telling the government that they are completely in the wrong direction, and yet you get that kind of an exchange.

Bottom line: Bill 55, if passed as is, I believe will cost Ontario jobs. Do you agree with that statement?

Mr Bettes: I believe it will not only cost trade jobs, it will cost production jobs, which is the bulk of the workforce in this province. My problem is not what it's going to do to the present tradesmen. It isn't going to do anything. They can go to the US, they can go to Europe. What is it going to do to the people who work in production and who don't have the education standards? I'm afraid those jobs will be in jeopardy.

You heard Brother Chernecki tell you that the retirements of two assembly facilities are going to take place in

this province, not only through retirement of the people. What happens if they have to build a new facility and there aren't the trades available? Will they build it in Canada with the pressure that's on in the United States under the free trade agreement? Bring it into the US and to hell with free trade.

Mr Caplan: We've heard employers, trades and other stakeholders say that Bill 55 will cost jobs in Ontario.

Mr Bettes: No question.

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Mr Blain Morin: Thank you for the insightful presentation. It was very good. My question is a simple one. I'm hearing you speak, and I heard Wayne Fraser speak before about Inco and Falconbridge, and I'm sure, Rolly, you can comment, and we're hearing about the Big Three automakers. They don't necessarily agree with this government's position on Bill 55, saying they don't need it. Maybe my question should be a simple one: Do you know anybody who wants Bill 55?

Mr Bettes: I negotiate with both the majors and minors across this country, and I haven't found one yet. The problem is that the corporations aren't saying to the government, "Look, it's all garbage. Scrap it." They just say: "We want to be consulted. We don't know what it's about. Until the union gave us the documents, we never heard of this." Unfortunately, they're in business to conduct their business. They don't go out looking for this stuff. Of course, when we brought it to their attention — and I don't care if it's a guy with 50 employees or a guy with 26,000 employees — they said to us, "Look, put the brakes on. Hold it. We want to be involved in this," and it isn't happening. I simply can't believe it.

The Chair: Thank you very much for the presentation this morning. I think it has been very beneficial for members. Your insight is obvious. With that, your time has expired.

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS;
ELECTRICAL CONTRACTORS
ASSOCIATION OF TORONTO

The Chair: I call on the International Brotherhood of Electrical Workers to come forward, please. Good morning, gentlemen. Welcome. I'd ask you to introduce yourselves for members of the committee and the Hansard record.

Mr Larry Lineham: Good morning, and thank you very much for this opportunity to address the committee. My name is Larry Lineham. I'm the business manager for the International Brotherhood of Electrical Workers, local 1687. I'm also the president of the Northeastern Ontario Building and Construction Trades Council. On my left, I have Joe Fashion, who is the business manager for the International Brotherhood of Electrical Workers, local 353, out of Toronto. On my right, I have Eryl Roberts, who is with the Electrical Contractors Association of Toronto.

Let me start by saying that I've been working in the trade of electricity since the mid-1950s. I dropped out of school in grade 11, learned the trade. Around 1980, I found I was having difficulty. I was in a dead-end position. I didn't have a high school diploma, couldn't write a report and was restricted in my ability to continue in my trade. In 1980, at the age of 41, I went back to school, two years full-time, got a secondary school diploma and went on to get a degree in electronics. So I know what I'm speaking about when I talk about education and the requirements of our trade.

At the outset, I'd like to state our position regarding this piece of legislation. We of the IBEW are requesting that this committee recommends to the government that this bill be scrapped and that they look at reinforcing the Trades Qualification and Apprenticeship Act instead. I won't go over Bill 55 clause by clause but will merely state that there is nothing about it that we find we can support.

It has long been an accepted fact that Ontario has one of the best apprenticeship programs in the world. Ontario tradesmen have long been accepted throughout Canada and the US as a source of well-rounded and knowledgeable personnel when seeking people to fill positions at the supervisory level. Our safety record is the best in Canada, as is borne out by the Ontario Construction Secretariat statistics.

The present act, although in need of improvement, is fundamentally one of the best there is. Some changes can and should be made to improve it. However, repealing the act and passing Bill 55 will not achieve this end. In order to draft proper legislation, one must understand the underlying principles behind a successful apprenticeship program.

The legislation must recognize the following principles: The training program must meet the highest standards, both provincial and national, in order to facilitate mobility of the workers; the program must rely on consultation between industry and government; it must appreciate the employer-employee relationship as the basis for an effective system; it must ensure worker and consumer protection through compulsory certification and rigorous enforcement; and it must recognize and appreciate that apprenticeship is the industry's source of trained workers.

It is ironic that at the same time as the IAS committee is travelling the country in an attempt to standardize apprenticeship training and certification this legislation is going the other way. If this bill is passed, the flow of qualified people as far as Ontario is concerned will be a one-way street into the province. Our people, long regarded as the best trained in the world, will be limited to areas that recognize their particular skill sets. Gone will be the mobility that once came with our interprovincial red seal.

It would appear from some of the comments made that certain people in government think that Bill 55 will solve the youth unemployment problem. I'm not so sure this will occur. Perhaps it will in the short term. Young people will be able to drop out of school secure in the knowledge that

they can get a job with certain limited skill sets, but what happens to these individuals seven years later when they find themselves with a family and a dead-end or a redundant skill set? They won't have the necessary academic skills to move into another field, so now it will become necessary to send them back to school and retrain them at the taxpayers' expense.

I ask this committee to make their recommendation as if they were planning the future of their children and their grandchildren, because that's exactly what they're doing. Passing Bill 55 will screw up their future. I urge you to tell your colleagues to look at the recommendations of the experts on apprenticeship, the provincial advisory committees, the Ontario Construction Secretariat and the provincial building trades council.

Thank you very much for your indulgence. I'm going to pass it over to Mr Joe Fashion.

Mr Joe Fashion: Good morning. Thank you for allowing me to appear before you this morning. As was said before, my name is Joe Fashion, and I'm the business manager and financial secretary of local 353, the International Brotherhood of Electrical Workers in Toronto. Our local union is the fourth-largest IBEW local in construction in North America, and we think we produce the best-trained apprentices in North America.

I am a graduate of the Ontario apprenticeship program, having graduated in 1959, and I can assure you the system that has been in place for the construction industry for all these years has been very effective. This system trained me so that I have been able to work in all sectors of our industry from the housing industry and service industry for small contractors, to the power sector at the Hearn generating plant and to the auto industry at the Ford plant in Oakville, the commercial industry at Pilkington Glass and General Foods, and I worked on the first Toronto-Dominion Bank Tower in Toronto and the medical science building at the University of Toronto, all large projects. I have also worked in the maintenance section of our industry at the University of Toronto, where I worked on all aspects of our trade including high-voltage work and communications and fibre optics work.

This could not have been accomplished without the excellent apprenticeship program that has been in place over all these years. I have also been able to work out of town during downturns in the Toronto economy, having worked in London and Sarnia, Ontario, when they had work in their areas.

During these years I have worked with all sizes of companies from the very largest down to two-man shops. The point I am trying to make is that many of the electrical contractors that my members work for are small business men who are trying to make a living and are employing qualified people to assist them. In fact, the average contractor my members work for is an eight-man shop.

Since being elected to my present position 11 years ago, I have also served on the provincial advisory committee for the trade of construction and maintenance electrician and have dealt with problems our apprentices have with their training.

My experience has shown that the contractor requires a skilled, trained and experienced workforce who are able to change jobs as demands require throughout the day. Many factors influence the job site, such as shortages of material or other trades completing work ahead of or behind time, influencing the schedule of the project, and this could not be accomplished with workers who only have specific skill sets that limit what they can work on.

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The contractors I deal with are constantly telling us we need the most educated workforce that is available, and even after our members graduate from their apprenticeship, they go on to journeyman upgrading courses that are available through the local union. Some have been in place since 1978 and have been growing to our present set of 30 courses. I've given you a copy of the courses that we teach.

In closing, we would recommend that the PACs for each trade be given powers in the legislation to deal with all facets of their trade. There have to be teeth in the act. The PACs as they are now won't work, because the ministry won't let them work.

We also recommend that there be enforcement that is policed throughout the province. We have discussed at the PAC level that this enforcement could be done by giving powers to the various business managers throughout the province to administer the qualified people on the job site. Every trade has business managers throughout the province. There are probably 130 or 140 business managers in the province for all the trades. Those people could be handed over some of the enforcement powers, and you would have qualified people all over this province. As it is now, there's a lack of enforcement, there are not enough people to go on job sites, and you hear horror stories, especially about northern Ontario, that it takes days to get an inspector up here to check into whether a person is qualified, and by the time they get up here the job is done and the unqualified person is gone.

Health and safety and property values or damage on the work site must not be put at risk by using unqualified workers, because the safety and property values — you have no doubt read about what has happened in BC where people now can't even move out of their condos that they bought at inflated prices. The things are almost worthless now or they have to spend \$100,000 to fix them up.

Employers must be part of the apprenticeship system and be involved in the training, and there can't be self-employed/self-taught apprentices. They cannot be allowed, as this will result in a very large increase in the underground economy, which is already a big factor that government is trying to deal with. The unions and the employers, we're all in favour of dealing with the underground economy. Because of that economy we all have to pay more money for WCB, we have to pay more money for unemployment, we have to pay more taxes, both provincial and federal, and it's just not right. The underground economy has to be dealt with, and this will only contribute to it. The underground economy would either

double or triple with self-employed/self-taught apprentices out there.

National standards must be upheld. Our members have got to be able to work across this country, and in fact our workers can work down in the United States and many of them are doing that, because of the downturn in the economy in the Toronto area. One of the things they need when they go down there is they have to show their C of Q, and we have to give them a letter saying that they are qualified and that they have taken the proper training. Without the proper training standards in Ontario, our workers will not be able to work anywhere but in Ontario.

Ratios need to be set by the industry because of the boom-and-bust factor in the industry, and the industry only trains apprentices when there are jobs available for them. We don't train apprentices and then tell them, "Go home and sit and we'll call you in six months when we've got a job for you."

In the electrical construction industry there is no shortage of skilled trained workers, and we have heard that. Somebody said in the hearing in Toronto that the Hamilton contractors have said they're not bidding jobs because they can't get skilled workers. That's bullshit. In fact, as of today in Toronto, there are 1,115 journeyman wiremen and 59 apprentices unemployed and available for work. That's almost 1,200 trained, skilled people who can't find work in the Toronto area.

The name of the act should remain the Trades Qualification and Apprenticeship Act. What we see happening here is the dismantling of the trades, and we're very worried about the direction this is going. You have to scrap Bill 55.

I want to thank the committee for the opportunity to meet with you. I'm willing to answer any questions you may have.

Mr Lineham: I'd like to turn it over to Mr Eryl Roberts of the Electrical Contractors Association of Toronto.

Mr Eryl Roberts: Thank you for the opportunity to address the committee.

For the past 30 years, the Electrical Contractors Association of Toronto has jointly sponsored, in conjunction with local union 353 of the IBEW, the Toronto Joint Apprenticeship Council, which is recognized as a local apprenticeship committee under the present Trades Qualification and Apprenticeship Act.

The Toronto Joint Apprenticeship Council is responsible for the recruitment and selection of apprentices for about 400 member contractors in the greater Toronto area. Joe has mentioned they average about eight men. As a result, our apprenticeship council operates basically as their human resource front office. It processes applications, conducts mechanical aptitude testing, interviews potential apprentices, and conducts safety and orientation training prior to apprentices being put on the job.

Supplementary training throughout the apprenticeship term is also a valuable program of the joint apprenticeship council. We send the apprentices to school on Saturday mornings and in the evenings to get a more well-rounded

view of the entire electrical industry. It also provides senior apprentices access to new, developing technologies in the electrical trade.

The Toronto JAC has graduated over 2,800 certified electricians in the past 30 years. Its completion rate is over 90%. There are actually 800 apprentices under administration at the current time. Our target for the next year is to increase that to 1,000. Its operation and program is funded entirely by our industry, without any government tax dollars. The ECAT budget for operating the JAC is approximately \$600,000 annually.

Our members in Toronto are proud of the accomplishments of the JAC. It has assisted them in training a highly skilled workforce that is capable of meeting the latest in market demands. Our success is witnessed by the numerous results of our work. We have two of the most sophisticated car plants in the world. We helped build them, and on a regular basis we're in there looking after the changeovers. We have some of the most modern office facilities, with the latest building technologies, in downtown Toronto. We now have single-family homes that are totally wired for power, security, computers and energy management. This has all been accomplished by our members and their workforce.

I can assure you this has not been an easy task. The economy of our primary marketplace, which is construction, is boom and bust. It takes four and a half to five years to train a fully qualified electrician. Planning and providing work for this five years is a difficult process. First, employers must recognize that they will be training an individual who will most likely work for a competitor in the future. Over 50% of the workforce is mobile from one contractor to another, depending on who is the low bidder and who obtains certain projects.

Second, the severe downturns we face mean periods of no work. As an example, the activity of our industry dropped 50% in Toronto from 1990 to 1993. As a result, we had a high rate of unemployment of journeyperson electricians, and our joint apprenticeship council had a bottleneck of apprentices in third, fourth and fifth term. Despite the economic pressure put on us to keep our labour costs down, to depress our labour costs, we had a responsibility to provide work to the higher-rated senior apprentices rather than start cheaper first-terms. We basically had to shut the system down until we got the market that was required to get it moving again.

The primary reason we have been successful is twofold. First, we have a commitment on behalf of the employers and employees to properly train people for the long term. Apprenticeship cannot be used to fulfill short-term labour requirements.

1020

Second, we have had the opportunity to operate under the current legislative framework, the Trades Qualification and Apprenticeship Act, which has allowed the industry to exercise its commitment to the fullest, as I think I've demonstrated.

We do not believe Bill 55 provides for a framework that meets this second requirement. Bill 55 does not seem

to recognize that an apprentice is an employee. It does not recognize that an employer must employ an apprentice in order for training to take place.

I have distributed today a program that might fit the vision of Bill 55. It's called Careers 2000 Proposal. It landed on my desk on Friday. Careers 2000 is a partnership proposal being put forward by the Toronto Catholic District School Board for funding under the Ontario youth apprenticeship program. While efforts to promote careers in the skilled trades to students and their parents, to destigmatize skilled occupations, are laudable and necessary —

The Chair: Mr Roberts, may I just caution you, you're at your time. If you could wrap up quickly, I'll give you a minute or so.

Mr Roberts: Very quickly.

Certainly we will partner with these people to the extent that's necessary to meet these requirements.

Very quickly, on page 4 you'll note that they want to address the critical shortage of skilled tradespeople in Ontario. Currently in the electrical industry we're taking about one in every 10 apprentice applicants, and we cannot accept individuals without a grade 12 education and relevant math, science and English credits.

You'll also notice that on page 4 they're talking about 17 weeks of hands-on experience at a related placement. Free labour can be attractive in an industry where labour is such an important component, but it certainly puts those employers who pay and train apprentices at their own cost at a competitive disadvantage.

Finally, on page 5, it talks about an advisory committee of stakeholders: community colleges, Human Resources Development Canada, MET, community employment agencies. The purpose of the advisory committee is to identify and recruit employers. Well, the way the system works, we're the employers and we recruit apprentices.

The proposal goes on to spell out a number of other committees.

Is this what we can expect under Bill 55, a shift from employer-based, employment-based to educational-based apprenticeship; programs that in one form or another are funded out of our pockets, and will most likely employ more people in staffing the program than providing any real opportunity?

The Chair: Thank you. That concludes your remarks. I appreciate it. A very thorough presentation, but we did exceed the time allotted and there's no time left for questions. I'm sorry.

JOHN GAUDAUR

The Chair: I call to the presenter's table John Gaudaur. Good morning, John. You have 20 minutes to use as you wish.

Mr John Gaudaur: I won't be taking up all that time. My skills at public speaking are nil. I have only a few things to say, but I believe they are important.

First of all, the Ontario trades apprenticeship act as it exists today is the best in the country, and the people of

Ontario deserve nothing less, wouldn't you agree? The Trades Qualification and Apprenticeship Act has the best-trained, most knowledgeable tradespeople in the country, maybe the world.

I believe that the luring of children from their sophomore classrooms into what can best be described as low-skill, low-paying occupations is disgusting. Right now, as it exists, there is a minimum of a grade 10 education for an apprenticeship, and you want to reduce that to age 16. You're going to be luring kids — let's face it: children — into low-skill, low-paying jobs. It's going to ultimately saturate the trades field with workers — not work, but workers — and these kids won't know when to say no to a job they're not qualified to do. You're going to put their lives in danger. This will happen. That's a given. We all know the importance of a sound education these days, despite the Tories' Common Sense formula for school closures. I'm sorry if we're keeping you awake, by the way.

You realize that the Trades Qualification and Apprenticeship Act has been unchanged virtually since 1964. Why do you think this is? Because it works. How many millions of dollars are we going to spend — am I going to spend — on this new change? It's not right.

The people of Ontario continue to receive the highest level, the highest quality of workers from the existing act. That's proof positive. You plan to deregulate. The bill is obscure at best. It has no sustenance. It's obscure. I've read it and read it.

Obviously, I'm nervous as hell.

Interjection.

Mr Gaudaur: My presentation isn't for you anyway; it's for these people here. I realize that anything we say will fall on deaf ears.

You're going to ask kids to perform work that they aren't adequately trained for, and I feel this is wrong. This bill should not happen. Regardless of what we say, you're going to do whatever you do.

I'm sorry I had to appear here today. I'm sorry that any of us had to come here today. That's about all I have to say at this time. Thank you.

The Vice-Chair (Mrs Julia Munro): Thank you very much, Mr Gaudaur. We have time for questions, from the Liberal caucus to begin.

Mr Caplan: How much time do I have, Chair?

The Vice-Chair: We're looking at about four minutes for each caucus.

Mr Caplan: Mr Gaudaur, thank you very much for coming. I appreciate your very heartfelt — I think what you said did come from the heart.

One of the reasons that perhaps you may have had some difficulty understanding what's in Bill 55 — it's not a long read. You could probably go to the bathroom and read it. You'd probably want to leave it there, actually.

Mr Gaudaur: If I go to the bathroom with that, I'll be using it for something else.

Mr Caplan: I've got to tell you, what this bill is basically saying is, "Trust me." It's saying: "Trust me. I'm the government. I will take care of this. I don't want to tell

you the details. Just trust me." That's one of the greatest problems I have and that's probably one of the greatest problems you're having.

Mr Gaudaur: Absolutely. I do not agree with the obscurity of this bill.

1030

Mr Caplan: I wanted to ask you a few questions. First of all, I assume you're a tradesman or you're training right now.

Mr Gaudaur: I'm a journeyman electrician.

Mr Caplan: You're an electrician. Maybe you could tell the committee members, tell us all, some of the things you did in your training to become an electrician.

Mr Gaudaur: On a scale of 1 to 10 for difficulty to become an apprentice, I would have to give it an 8, 11 being that there's no way you can become one. I believe the people of Ontario need this kind of rigorous scrutiny so that when a person does become an apprentice, they're going to put their whole heart and soul into their apprenticeship and the trade they love. I don't believe that giving out, willy-nilly, a skill set, which is very obscure in the bill — what is a skill set? I've asked that question many times. That's yet to be determined, what a skill set is.

Mr Caplan: This is true. How long did you train?

Mr Gaudaur: My apprenticeship lasted five years, 9,000 hours.

Mr Caplan: And you were under the supervision of a master journeyman.

Mr Gaudaur: Absolutely, and I was trained properly. In fact, I know in the Electrical Workers' union we don't allow apprentices in the switch room without a journeyman, and that is strictly for safety.

Mr Caplan: For your safety, for the safety of your co-workers and for the safety of the public.

Mr Gaudaur: For everybody's safety.

Mr Caplan: Because you're a journeyman you know your skill, you know your trade well enough that you could teach it to somebody else, couldn't you?

Mr Gaudaur: I believe I could.

Mr Caplan: If you only knew a part of being an electrician, you could only teach that one part. You've spent 9,000 hours learning about all aspects of the electrical trade.

Mr Gaudaur: Being a journeyman doesn't mean you know everything. A licence is only a licence to learn on your own, constantly learning every day. It's only a licence to learn on your own. Anybody who thinks they know everything will be a dangerous person to work with.

Mr Caplan: So you're still learning today.

Mr Gaudaur: Always, every day.

Mr Blain Morin: Thank you for the insight and the presentation to the committee today.

I'm very interested in a couple of comments you made, John, and I think they're worth repeating, especially when we start talking about what this bill is going to cost working-class people in Ontario today. We haven't seen the commercial for this one yet, but I'm sure this government's got it dreamed up very soon.

Mr Gaudaur: Which I find disgusting. I've seen the commercials.

Mr Blain Morin: More propaganda; another infomercial.

Ultimately, I'm very interested in your comments, especially around bringing younger people, 16-year-olds, into the workplace without proper training, proper education. Obviously, you and we are really worried about the lowering standards and the lowering wages, where we start talking about driving down minimum wages as well as health and safety standards, as well as workers' compensation standards. Unfortunately, I don't necessarily agree that those assessments will be going up, because this government passed Bill 99, which was another real beauty piece of framework that dumped on working-class people in Ontario again.

Lowering wages — you talk about 16-year-olds going into apprenticeship programs, but certainly there are people who are wage earners going into those apprenticeship programs and how is it going to affect them, when they begin their apprenticeship programs, in trying to raise families?

Mr Gaudaur: Absolutely. The kids should stay in school. That's it. The lowering of the age from a minimum of grade 10 education to 16-year-olds — any kid having trouble in school is going to drop out, and if you can acquire a skill set which is not going to be recognized anywhere except for his employer, his employer is going to be his master. That's going to be it. He's going to do what his employer says. He's too young to realize when a job is too dangerous for him to do. He's not going to have the adequate training. I can say no to a job right now without fear of repercussions from the employer, as it stands. I've done it in the past when I've felt a job was too dangerous for me to do or my skill wasn't quite where I could perform the job properly; it was too dangerous for me. I can say no and another person with more skill can do the job. But these young kids won't know when to say no. They won't. They'll be too scared of losing their stupid job.

Mr Blain Morin: And they're going to end up taking chances.

Mr Gaudaur: They're going to take chances and, you mark my words, there's going to be loss of life and serious injury. I guarantee it.

Mr Smith: Thank you very much for your presentation this morning. I just wanted to be sure that you're aware that in the legislation you have to be at least 16 years of age to enter into a training agreement. That is in the legislation and the matter that industry representatives requested be protected within the legislative framework.

I wanted to get your opinion as a professional electrician. The electrician trade has requested the Ministry of Education and Training to endorse programs for licensed electricians who want to acquire additional skills, such as in the area of fire alarm installer, fibre optics and some other areas. In fact, I think the previous deputation had a list of those other course areas. That's what the intent of Bill 55 is, and my understanding and reading of it is —

Mr Gaudaur: We are trained in all such things in our apprenticeship as it exists.

Mr Smith: I appreciate that, but I'm just trying to get clarification, because if I've been informed incorrectly by the ministry I need you to tell me that. The objective of this bill is to recognize, as your trade has already requested, that a licensed electrician can acquire additional skills over and above that. Is my understanding wrong in terms of what we're trying to achieve with this bill in the context of a request that's already been made and something that probably, as a professional, you would continue to pursue anyway for your own livelihood? That is the intent of that skill set issue, albeit Mr Gilchrist presented it a little bit differently: the differentiation that we're making between occupation and skill. So that's where I see it fits. If I'm wrong in my interpretation, please help me out there.

Mr Gaudaur: I'm not clear on your question. It's —

Mr Smith: What we're trying to do in this bill is —

Mr Gaudaur: Something like the bill, I guess.

Mr Smith: Yes, it is. It's a very serious and significant part of the bill, as it applies to your craft. This issue, where a request has been made for additional skills over and above that which would be provided to a licensed electrician, that's what we're trying to get at in this bill.

Mr Gaudaur: We're always learning. Everybody always is, and they should be.

Mr Smith: So your opinion is that the bill fails to really recognize what in fact is already happening, even though requests are being made for additional skills training, over and above that already received by a licensed electrician.

Mr Gaudaur: Further skills training is optional to the people in my trade right now. If you wish to learn more about your trade, you can do so. This bill doesn't nail down any one particular thing. It's so vague.

Mr Smith: So if there was increased clarity or definition in terms of what's actually being requested by electricians —

Mr Gaudaur: What is a skill set?

Mr Smith: My interpretation of what's being attempted to be achieved in this bill is that we're recognizing a licensed electrician and then the opportunity for a skill to be recognized over and above that, which is in fact what has been requested by the trade itself in those areas I referenced. But if that's not clear, obviously there's work that needs to be done there.

The Vice-Chair: Thank you very much for coming here today and bringing us your position.

Mr Gaudaur: Actually, I would like to thank the people here today.

Good morning, and welcome to the standing committee. Please identify yourself and your co-presenter for the purposes of Hansard.

Mr John Filo: I'm John Filo. I'm the president of the Sudbury and District Labour Council. My colleague is John Closs, also a delegate to the labour council, and I'll be introducing John a little more thoroughly later.

First of all, I want to thank the committee for coming to Sudbury. It's always a pleasure to have you here and to have you listen to our concerns. I think it's an important practice in democracy. In particular, I'd like to welcome new members to the Parliament, who actually are in a way acting as referenda for the work your government has been doing, Blain Morin and Wayne Lessard, who in by-elections of course showed overwhelmingly that the people of Ontario don't agree with some of your policies.

To speak about Bill 55, scrap Bill 55. Bill 55 is not only bad legislation but it's bad politics. I'm surprised that people of your ilk, who know how to spin a good yarn, have gotten themselves into a spiral of defeat by supporting such a bill that does not make sense.

My colleague here, John Closs, is a certified journeyman. He's been a tradesperson for about 20 years. He also holds a bachelor's degree from York University and a master's degree from Laurentian University. He's a community college teacher, a trades teacher; he teaches carpentry. His excellence has been recognized by the college with an award for teaching excellence. This is a person who has not only walked and talked the profession, but also has walked the talk. You're going to find that more and more people in the trades area are going to be people who are well educated because of the demands that high-tech puts on this.

As sort of a sideline, I sent this bill of yours to my colleagues in Germany, and my ears are still ringing with the laughter. It's a disgrace. Apprenticeship and trades training is not rocket science. It is something that has been going on for literally thousands of years, and your tampering in a negative way with something which has been a very successful formula is going to lead to terrible consequences, not only for the people engaged in trades and engaged in training our tradespeople, but to our entire society and to our economy.

The proposed legislation threatens to destroy the apprenticeship system in Ontario. Ontario's apprenticeship system was the result of a concerted lobbying effort by business and labour. Their goal was to create a regulatory framework for apprenticeship to ensure that there would be no shortage of skilled labour in Ontario. To achieve this goal, the two parties were committed to training young people to fill the needs of industry for skilled workers.

A steady supply of skilled labour is a key element in ensuring continued prosperity in this province. The apprenticeship system has proven to be an effective method of providing the labour market with skilled workers. The combination of practical, on-the-job training with theoretical in-school instruction is highly responsive to the needs of industry. On the job, experienced trades workers

SUDBURY AND DISTRICT LABOUR COUNCIL

The Vice-Chair: I'd like to call on John Filo, the president of the Sudbury and District Labour Council.

pass on the principles and practices of their trades to new generations of workers. New apprentices are taught not only how to do the job but also how to act as skilled workers, the importance of taking pride in a job well done. Knowledge is passed on in the best way possible, from one individual to another, with immediate feedback on the learner's performance.

The in-school portion of the apprentice's training gives them an opportunity to develop the more general skills. On the job, they might become truly proficient in only one or two areas, but in school they are introduced to all areas of the trade. The apprentices meet people from other parts of the industry and they are able to share their working experiences with apprentices who have worked in different areas of the trade. In combination with the broad range of the curriculum, this gives the apprentices a good grounding in all areas of their trade.

The best programs teach the apprentices how to learn, giving them a positive experience that they can use as a basis for, literally, lifelong learning. The Canadian Labour Force Development Board, in its report *Apprenticeship in Transition*, recommended a set of principles to guide the development of an effective apprenticeship training system. The first principle was to ensure stable funding for apprentices. A Ministry of Education backgrounder on the new system clearly indicates that the intention of the act is to pass on the costs of the training to the apprentice. It states that under the new system the apprentices will have to pay their "fair share" of the costs of training, with no indication of what that might be. "We want apprentices to become qualified having the \$20,000, \$30,000, \$40,000 debts that university and college graduates have." I guess that's the purpose of it. The backgrounder goes on to state that apprentices will be able to receive financial assistance from the government, but it goes on to indicate that the level of that assistance has not yet been determined. I agree, trust me.

I'll turn it over to my colleague now.

Mr John Closs: I was supposed to leave a line there for John to pick up, but once he got going on a roll it was hard to stop him.

Mr Filo: Well, I came to a "Now turn page," and that kind of threw me.

Mr Closs: Over the past 10 years I've met many apprentices. They are serious and dedicated students, but they also have many financial commitments. Apprentices are not entering the trades right out of secondary school. A backgrounder we received today indicates that over 78% of the apprentices in Sudbury are over 24 years of age. That's the experience that I've had in teaching apprentices in the college. They've chosen to pursue this trade after trying some other careers, finding that they didn't enjoy them and they're looking for something else.

When I've discussed the funding of apprenticeship training, the students have made it clear to me that they cannot afford to come to school if they do not receive either a training allowance or some other income. Most apprentices have had to leave a job to come to school and they're losing income as a result. They're willing to forgo

that income, but they're not willing to make further sacrifices: take out loans and go into debt to go to school. Therefore, apprenticeship training should be fully funded. This is an important issue. Apprentices should be eligible for an income supplement to enable them to attend school. This is a very small investment on the part of the government in a very powerful system to enable people to get skills that will allow them to work through their whole life. I think this small investment will pay off a thousand times over.

In regard to funding for the apprentices, the bill also does not regulate the wages for the apprentices. The government claims that the apprentices are protected under Ontario's minimum wage laws, and it does depend on collective bargaining. I've heard today people saying, "The unions will protect the apprentices." It's interesting that after attacking the union movement at every opportunity, the government is willing to entrust them with the future of the apprenticeship system all of a sudden. "They can't do anything else; we're going to take away all sorts of things. Now we're going to give them the apprenticeship system to look after."

I think unionized apprentices will be protected. In the unionized workplace, the unions will look after the apprentices and they will receive a fair wage for their work. But I shudder to think of what will happen in non-union workplaces. I think this is the death now of stable funding for apprentices. Stable funding is a broader aspect than simply in-school funding; it is throughout their training. If they can't be guaranteed some sort of stable income, they're not going to enter into these trades and we're going to be left in a mess. Already we're at a point where the majority of our tradespeople are in their 50s. We're not going to be replacing them. Some of the scenarios that have come up here today will be occurring in the future. We will not have the skilled trades that we need to keep this Ontario economy running.

1050

In the rest of Canada there has been progress made in national standards for the trades. I think Bill 55 will isolate Ontario from that process. Breaking up trades into skill sets will fragment the trades and it contradicts the traditions of apprenticeship training that John alluded to. Apprenticeship training has been based on the trade concept in which a skilled worker was expected to possess a broad knowledge of the trade they were engaged in. While the worker might be highly skilled in only certain areas, the trades workers were able to carry out all the tasks included in the trade. The identity of the skilled worker was their trade. I'm proud to say I am a carpenter; you've heard people say, "I'm proud to say I'm an electrician and I am proud to be able to pass that on to the apprentices I teach." I think most of the tradespeople who are working in the colleges would say the same thing: "I'm a machinist. I'm proud to be a machinist and I'm proud to be able to pass that on to the apprentices I teach," the sense of this trade that is something beyond narrow sets of skills.

It's obvious that the government has chosen to fragment the trades so that only certain skills would be designated

as restricted based on criteria they've indicated: public safety, worker safety or environmental safety. The government maintains that this feature will provide greater flexibility to employers to introduce new skilled occupations. However, it is more likely that some employers will use this part of the legislation to break up existing trades into discrete areas that will restrict labour mobility and drive down wages.

One of the things about apprenticeship is that you've got your skills and you can move from job to job. It's a great empowerment for a worker to feel that, "If I don't like this guy, I'm going to pick up my tools, go someplace else and work for somebody else." But if I'm not a certified carpenter, if I'm limited in my skills, I will not be able to do that — the future apprentice won't be able to do that. They will not be able to take their tools and go, because nobody's going to hire them. They'll have the Canadian Tire brake mechanic skill set, which is not the same as the General Motors brake mechanic skill set or the Ford brake mechanic skill set. That will limit their mobility, so they're stuck in one job. Wages will go down. The employers are going to love this type of thing. I think that's what's going to happen, especially in non-union shops.

There's strong resistance to this part of the legislation already. In October, a government-industry working committee composed of employers and employees representing the industrial, construction, service and motive power sectors met to develop criteria for determining restricted skill sets. The committee's unanimous position was that if any skill set within a trade meets any criteria for a restricted skill set, then the trade should be deemed restricted in its entirety. I think this is the type of opposition you're going to see to some of the provisions in the bill.

I've found that the responsibilities of skilled workers have increased dramatically over the last 20 years, since I've been involved. The regulatory framework that they work in means employers expect the skilled worker to know and follow numerous acts and regulations — workplace hazardous materials, occupational health and safety, the building code in our trade particularly. All of these were put in place to protect the workers and the public, but given the reduced level of enforcement, to be fully effective the legislation must be understood and applied by the workers in the workplace. Both employers and employees have concluded that we need more compulsory trades, not the fragmentation of the existing compulsory trades that Bill 55 proposes. If you're expecting people to follow these regulations — maybe that's not the case here — then you're going to have to make sure they can understand them and apply them effectively in the workplace. I see a lot of value in that.

During the whole process of consultation — and we've heard about this today as well — that led to Bill 55, it appeared that the government paid little attention to industry advice. By the way, I use "industry" to mean employer-employee; it's not simply the employer side here. Yet industry involvement is critical to the future of

the apprenticeship system. If you don't get the buy-in, it's not going to work.

For a number of years, I've been a member of the curriculum advisory committee for carpentry. In the carpentry trade the regulations have included detailed specifics of what we're supposed to be training about, but this didn't prove to be very practical. In the end, those regulations came in as long as 30 years ago and they no longer describe the trade. As a result, the regulation got ignored. We didn't train to regulation. We weren't training in wood siding; we weren't training in board and batt and all this type of stuff that nobody ever uses any more. We had to train to the requirements of the trade now, and we responded to that. We responded to industry's demands on us to train what they needed in their employees, and we did.

The bill provides for the appointment of an industry committee to develop apprenticeship programs and promote high standards. However, it only refers to six representatives on that committee: three representatives from the employers and three representatives from the employees. The legislation does not recognize the important role that educators play in apprenticeship. There should be formal recognition of the role of the community colleges and secondary schools — if you want the secondary schools to buy into this system, which you appear to do — and a representative from each group should be a member of the committee. From the college, the appropriate person would be the chair of the curriculum advisory committee, who is not myself, by the way, so no conflict in here. Inclusion of these representatives would strengthen the committee and enable it to deal more effectively with its mandated role in developing curriculum training standards and examinations.

The legislation should also ensure that the committee would include representation from northern Ontario. Industry requirements in the north are often very different from those in the south. They require a different style of tradesperson, they require different skills, and the north should have a voice in determining the direction of apprenticeship training.

I think also there should be some consideration in regard to the background of the people who go on these committees. There is not much use in having a human resource person on a committee of apprenticeship training. They don't understand the trades. They don't understand how the training works. To some extent, there are still secrets in the trades, and the secrets exist in how the training works, and unless you've gone through that experience, it's difficult to relate to it. I think one of the problems with the bill is that it has come from people who have very little experience with the trades and it reflects that in its entirety.

I feel that apprenticeship continues to serve as the best method for ensuring there is an adequate supply of skilled labour for the industries of Ontario, but the system needs to be promoted in order to reach its full potential. The government has claimed that it is promoting training by reducing red tape and removing standards for the length of

training, minimum entrance requirements, ratios of qualified workers to apprentices, and wage rates for apprentices. I don't think this is promoting training. I'm afraid I have a hard time seeing how this is going to promote training. I haven't heard anybody today saying: "Boy, this is a great idea. This is really going to get training going in Ontario."

I urge that you withdraw the bill and begin meaningful consultation with all the stakeholders in order to develop a more acceptable package of reforms. Thank you very much.

The Vice-Chair: Thank you very much. We have a minute per caucus.

Mr Lessard: Thank you very much for your presentation. One of the things we've heard from the parliamentary assistant whenever the issue of tuition is raised is that tuition isn't provided for in the bill, but it's not prohibited in the bill either. He also quotes the minister saying that the minister won't consider tuition until there is an agreement with the federal government, but I would think that such an agreement should be imminent because Ontario is the only province in Canada that doesn't have that agreement. So I really expect that tuition fees are going to come in for apprentices and I'm wondering what you think that's going to do as far as encouraging young people to choose skilled trades as a career.

Mr Filo: The fact is that we see this in our post-secondary institutions. A lot of people are deciding that maybe it's not the route to go. They say, "I don't want to graduate with a big debt and no prospect of a job," and I think the same thing is going to hold true for apprentices. What you need are motivators and incentives for people to take apprenticeships.

Our society in Ontario is badly mistaken in the degree of prestige it awards to university and college graduates as opposed to tradespeople. In Europe, the trades are really highly skilled people. They are members of the community. They're respected and so on. Here, we tend to encourage our children to become university-educated people. We really have a problem of motivating young people to get into skills and trades training. We should be offering incentives and inducements and not proposing a system where it's inevitable that there will be apprenticeship fees.

The Vice-Chair: We have to move on.

1100

Mr Smith: Thank you, gentlemen, for your presentation today.

One of the issues that has been raised in the past, and obviously we've heard it before, is the role of educators and the PAC committees. My understanding, though, is that the advice that PACs have given us as industry representatives is that they don't want to see educators as formal members. They obviously recognize your ability as resource people. You're suggesting an amendment to the bill that would recognize you as full members of that PAC?

Mr Closs: I feel at this point that would be appropriate. Part of the reason is that the college funding has gone down the tubes over the last years and in most cases we

can't afford to send people. If they are recognized, then they will be able to be funded to go to some of these events. I think that educators play a role in this system and it should be recognized in the bill — I would agree with that — both secondary and post-secondary educators. Particularly given the government's intention to include the secondary schools in this process, I think it's very important that they be included in the deliberations of the PAC. I can understand that the direction of apprenticeship should come from the industry. I agree with that. I don't see this as an attempt by educators to take over the direction of apprenticeship. I see it more from the point of input. Perhaps the role of resource people is more appropriate in that, but they certainly should be included in the deliberations.

Mr Michael Brown: Thank you, gentlemen. I represent the rural north. I have a big riding. One of the things I've been terribly bothered by in the whole system is that the young people I represent often don't have the opportunity in secondary schools to learn trades. Our schools are too small, they're too far away. You can't just be bused over to the next school that might be a trade school. I see this as just another piece of legislation that's going to make it more difficult for my constituents, because now they have to come to Sudbury or somewhere else to learn these skills and it's more difficult to get into them. I just wonder if that's your view.

Mr Closs: I think the programs exist in a lot of post-secondary institutions. There's a big difference in the trades as well from rural areas — we get a lot of students from St Joseph Island and areas like that — compared to what we get from the metropolitan centres like Sudbury or Sault Ste Marie, a very big difference in the requirements of the trades from a rural area compared to a metropolitan area. That was part of the reason I said it's important that we get some representation from these areas.

In metropolitan areas the trades are often very specialized; they have a fairly narrow view. But in rural areas, often the tradespeople are expected to do everything. They're expected in building — I'll talk about that because I'm familiar with it — to start from the foundation and finish at the roof and do all the inside as well. So the requirements for them are very different from somebody who's working on a large industrial construction site where they might be on form work for concrete for a long period of time. They have different requirements. I think for them the access through community colleges — certainly from our point of view they have no problem coming here. It's a problem with funding for them.

The Chair: Thank you very much for your presentation. We've exceeded the time.

ELECTRICAL CONTRACTORS ASSOCIATION OF NORTHERN ONTARIO

The Chair: At this time I call forward the Electrical Contractors Association of Northern Ontario. Good morning, gentlemen. If you could present your names for the members of the committee and for Hansard.

Mr Cecil Burton: My name is Cecil Burton.

Mr Bruce McNamara: I'm Bruce McNamara.

Mr Burton: I'd better get my glasses on here or we're really in trouble. Good morning, ladies and gentlemen. Thank you for the opportunity to talk before the committee. I'm the president of the Electrical Contractors Association of Northern Ontario. I'm here today to represent the association in this public hearing on Bill 55. I hope by the end my presentation today that you will come to appreciate the unique needs of the Ontario construction industry and consequently reflect these needs in your proposed legislation.

I'm a journeyman and electrician. I've been in the trade for 36 years. I worked through the ranks from apprentice to journeyman to electrical foreman, field superintendent-estimator. I worked in a hospital as maintenance supervisor for a couple of years. I've done project management. My position today is electrical manager of Comstock Canada Ltd in northern Ontario division. I have two sons who are electrical tradesmen also.

I have been a member of our local joint apprenticeship committee for the last 16 years. The ultimate goal of our committee is to turn out the highest-quality tradesmen who in turn will provide the public and industry with top-quality workmanship done in a safe and economical manner.

There can be no short cuts in our apprenticeship system. The hours spent in the field under the direct supervision of a licensed journeyman are essential. We must maintain strong guidance and leadership for our young apprentices in order to maintain high-quality standards.

During the last 16 years, my colleagues and I on the local apprenticeship committee have encountered many situations which reinforce the need for a structured apprenticeship program. Every year potential candidates are tested and interviewed. Reference checks are performed, and from this information candidates are accepted into our apprenticeship program.

On one occasion during an interview a candidate shared his past working experience with us. It is important to keep in mind that this candidate was well educated. He had completed high school and was two months away from completing a three-year electrical and instrumentation program at a local college. Most people would probably argue that he already possessed a very good knowledge of the electrical trade and field work. The work experience this candidate had accumulated so far was working for a very small contractor. It was also noted that this person was working for no wages, was not covered by the Workplace Safety and Insurance Board and obviously also had no medical coverage. While working for this small contractor, the candidate explained, his duties included working on live panels in a commercial building. He was doing this without any guidance or proper safety equipment.

It was very clear from the interview that this person was not aware of the dangers involved and was not aware of the proper procedures to follow for such work. Luck was on his side that day. The apparent lack of supervision

and training in this case could have resulted in the worker being electrocuted and/or killed. It is imperative that we do not create an apprenticeship program based on luck and good fortune. This individual was accepted into our apprenticeship program and is now part of our system. With proper training and under the guidance of our skilled tradespeople, he is doing very well at this time.

Provisions of the apprentice-to-journeyman ratio must be set out in the apprenticeship legislation. If apprentice ratios are not legislated, we will only be providing very cheap labour with no training. Ultimately, this will leave the industry without knowledgeable and experienced tradespeople. This would also leave Ontario behind all other provinces and countries in the area of skilled workforces. Cheap labour as a temporary measure is not the answer for apprenticeship.

It is our strong belief that compulsory trade certification is essential in the electrical construction trade. Again, there are no shortcuts in the apprenticeship system if we are going to continue to produce high-quality and knowledgeable electrical journeyman. The hours spent in the field under the direct supervision of a licensed journeyman and the time spent in trade school are essential. Courses provided by the local committees and employer are also an integral part of the apprenticeship process.

The work performed by electricians is continually changing. Changing times and advances in technology require that new methods and skills be employed. In order to meet these ever-changing demands, electrical tradespeople must have a strong background and a very good understanding of all the fundamentals of their trade. It is our belief that the current apprenticeship program fulfills these needs.

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Our tradespeople travel throughout our province as well as to other provinces to work and make a living. In turn, they must be very diversified to be able to work safely and efficiently. An individual who is not properly trained is a potential hazard to himself, to others and to the establishment where he or she is carrying out the work. Do not send a carpenter to do electrical work. If you do, you are creating a hazard.

Education: Our apprenticeship committee for the last 20 years has insisted that applicants possess a minimum of grade 12 education with level 4 maths and sciences. With the challenges and requirements facing today's electrician, possessing a grade 12 education should be considered a very bare minimum. In fact, the minimal education requirements should be upgraded to include some college courses in maths, sciences and electrical. On numerous occasions, our committee has been transferred the apprenticeship contracts, through certification, of people who do not possess the current minimum education requirement. The apprentices who do not possess grade 12-level maths and sciences more often than not have failed in trade school. As a result, they were required to upgrade their knowledge base by taking additional courses, which in turn extends their apprenticeship. We have an educational

system. It would be a shame if we did not utilize it to its fullest.

Our local joint apprenticeship committee: It has been our experience that an apprentice requires direction, guidance and monitoring in order to fulfill their training and have success. Our apprentices move from contractor to contractor on projects all over northeastern Ontario. Our committee selects new apprentices, holds all apprentice contracts, ensures the applicants have WHMIS training and level I safety program and indoctrination prior to reporting for work. An apprentice's progress is monitored on a quarterly basis with his supervisor. If there are any problems, the apprentice is called before the committee and the committee works with the apprentice to work out the problems. The committee also ensures that the apprentice attends trade school when required. If there is a problem with school, we ensure that the apprentice completes upgrading in the problem areas. Apprentices who delay school usually delay their time of apprenticeship, and in turn they can back up the whole apprenticeship program.

Some of our youth require special assistance and need somebody or somewhere to go for guidance. It is mind-boggling, the different problems we have encountered. During my tenure with our local committee, we have had apprentices face many problems that they have come to see us with: drugs, alcohol, family problems, marriage breakdowns, problems on the job with possibly their supervisor, disability problems and many more.

In closing, the PAC is the best system we have seen, therefore it is imperative that we work together to build on it, not destroy it. Our PAC has helped produce superior-quality tradespeople who work both safely and efficiently. If we want to maintain this high level of quality, efficiency and safety, then we must be willing to properly educate, train, guide and enforce laws to establish Ontario construction tradespeople as the best in North America.

The Chair: Thank you for your presentation. At this point, we will have about two minutes per caucus and we'll start with the government caucus.

Mr Smith: Gentlemen, thank you for your presentation. On page 5 you allude to the local PAC, and I want to come back to this issue of sponsorship, because it seems to me what you've provided here is a perfect example of how well sponsorship works. I'm wondering why that experience or the model you've developed here can't be extended to other sponsorship groups subject to their meeting certain criteria with the Ministry of Education and Training. Do you not see an application of what you're already doing occurring in other areas of skilled trade?

Mr Burton: Definitely, and I think it's the way to go. Trades should be governing themselves somewhat through these provincial advisory committees, through local committees. I've sat on the committee for a long time. We're very proud of what we've performed and the people we are turning out, and that's on the basis of the contractors' side of it and the union side of it. We think it's going very well.

Mr Smith: You made reference to the strength, role and responsibility of PACs. From what I've seen in the previous act, there was some general language around their roles and responsibilities; it's been broadened in Bill 55. What language would you recommend to me to strengthen those provisions in the bill to get to a level of satisfaction where you think they will have a meaningful role?

Mr Burton: I would think the PACs should be able to govern a lot of the legislation of their own trade. Apprenticeship ratios should be a self-regulated thing within the trade, and educational requirements. I'm no expert; I just know what works here.

Mr Smith: That's what I'm looking for, some of your practical observations on the role of the PAC.

The Chair: With that, we'll move on to the Liberal caucus.

Mr Caplan: Thank you very much for your comments. I certainly found them very much in line with what I've heard in Toronto, what I've heard in Windsor, what I've heard today.

Myself and my colleagues in the Liberal caucus are going to be proposing amendments to this legislation. Our hope is that we're going to give a stronger and more formalized role to the provincial advisory committees and an enforcement role; not giving guidelines, but being able to enforce standards. I take it from your comments that that's the kind of thing you're looking for and what the parliamentary assistant was talking about: language which will ensure that standards that are set out by industry will be enforced and that public safety and worker safety are protected. Am I correct?

Mr Burton: Yes.

Mr Caplan: Very good. Thank you very much.

Mr Blain Morin: Thank you for the presentation. Just a few quick questions and observations. I notice in your presentation today you referred to the fact that Bill 55 shouldn't be based on luck and good fortune. When we start downgrading and watering down the ratios of apprenticeships to journeymen, that's what you were alluding to, that we have to watch what we're doing as far as the ratio.

A couple of quick questions. First of all, how big is the association? How many members do you represent? As well, you alluded to the fact that you feel the apprenticeship program we have in place today is good and it perhaps needs a little fixing, but just your opinion on reform. Does it have to be rewritten or do you feel that we've got a pretty good system and it just needs enforcement?

Mr Burton: We have a pretty good system now. I don't know how everybody else works. I don't know how all the other trades work and I don't know how everything else works all over the area. I know how we work in Sudbury and in northern Ontario. I know that we have probably one of the strongest apprenticeship councils in the north. There's probably some patchwork that's needed to be done, but we have a pretty good base and we do pretty good training.

To create a whole bunch of employment with no ratios is scary, because we're not going to have our skilled peo-

ple. We send skilled people to the US, to the other provinces, to other areas. It's nice to have remarks coming back saying, "Very good people."

Mr Blain Morin: How big is the association?

Mr Burton: The association covers all northern Ontario, so it covers Sudbury, the Soo, Timmins, the Tritowns. We go to the other side of Hearst from the Marathon area, all the way up to James Bay. It's a big, big area. If you take one of my jobs now, you could drive to Toronto and back by the time you get to the job. It's big.

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Mr Blain Morin: By the possibility of imposing tuition or that type of thing on northern apprenticeships, do you see that there's a disadvantage for apprenticeships in the north and rural areas, as we've talked about?

Mr Burton: There's a difference in handling an apprenticeship in the north, there's no doubt about that. Somebody in southern Ontario may travel, probably maximum, an hour a day. Like I say, I've got a job that's seven or seven and a half hours away. You've got to handle schooling somewhat differently. The system that's working now for trade school works fine, but you can't go to night courses and do your trade school. We can't have that up north. So yes, there are some differences between the two groups. But we do have to educate our people one way or the other and we have to make provisions for that.

The Chair: Thank you very much, a good line of questioning. With that, I thank you very much for your presentation here this morning.

ONTARIO MARCH OF DIMES

The Chair: With that, we'll call the next deputation, from the March of Dimes. Thank you very much for joining us here this morning. For the purposes of the committee members and for Hansard, if you could introduce yourself.

Mr Dan Xilon: My name is Dan Xilon, the former apprenticeship coordinator with the Ontario March of Dimes. Good morning, Mr O'Toole and committee members. I thank you for the opportunity to make a presentation on behalf of Ontario March of Dimes concerning Bill 55, apprenticeship reform.

Ontario March of Dimes is a not-for-profit, charitable organization that has worked for almost half a century in assisting adults with physical disabilities to enhance their independence and quality of life. We do this through offering a host of programs and services. One of our major programs is employment services. As an employment service provider, we are pleased that several of our recommendations made to the Ministry of Education and Training in March 1997 have been considered in the drafting of the legislative and regulatory framework of Bill 55. We wish to take this time to reiterate our recommendations.

We, Ontario March of Dimes, are extremely pleased to hear that several of the recommendations presented in our report have been considered in Bill 55.

We agree that training requirements should be stated in terms of core competencies versus the accumulation of hours and that each apprentice should be responsible for obtaining the signature of an approved journey person for each competency completed. This model will give the apprentice more control and more decision-making.

We are pleased that Bill 55 will offer more flexibility, which will allow an apprentice to be linked to more than one employer or sponsor, and that partnerships with agencies that offer specialized services, such as OMOD, will be encouraged and supported to enhance apprenticeship opportunities for persons with disabilities.

We fully support the ministry's initiative to modify in-school training sessions, such as shortening in-school sessions from eight weeks to one week, and approving less than 20 hours a week of in-school activity. Such modifications are necessary to meet the needs of persons with disabilities, thereby making apprenticeship training a viable and successful option.

We are pleased to note that the ministry is considering prior learning as a grade equivalent. We understand that Bill 55 may include a broader definition of an apprenticeshipable occupation. Expanding the definition to include careers which have sedentary to light physical demands will open the doors to a lot more apprenticeship careers for persons with disabilities.

We trust that in-school accommodation will be addressed by the ministry. To this end, we recommend that regulations for all trades should contain the provision that reasonable accommodation will be provided. Reasonable accommodation should include for individuals: readers, tutors, notetakers, interpreters, Braille and/or computer technologies and shorter in-school sessions. We further recommend that financial support be made available for such accommodation that is easy to access.

In addition, if a reader is considered a reasonable accommodation for an individual during an exam, inter-provincial red seal certification should not be withheld.

We support your public commitment to the provision of grant and loan assistance. However, the key to success for persons with disabilities and the public in general will be to avoid a lifelong debt by establishing loans at a reasonable payback level.

Further, to promote economic growth and job creation in Ontario, we urge that Bill 55 be expanded to include more careers of the 21st century. We support your commitment of promoting apprenticeship options to youth. Ontario March of Dimes has recently been recruited to sit on a committee to assist in the development of a youth apprenticeship initiative in Sault Ste Marie.

In closing, we believe there should be an emphasis placed on marketing and advertising your message that apprenticeship is a viable option to post-secondary education and future employment for the general population, the youth of our community and persons with disabilities.

I thank you on behalf of Joan Teresinski and the Ontario March of Dimes.

The Chair: Thank you. That leaves considerable time for questions. We have about three to four minutes per caucus and, with that, let's start with the Liberal caucus.

Mr Caplan: Mr Xilon, thank you very much for your presentation. A couple of questions: While it's not actually in the bill, it is the stated intention of the minister and of the government to begin to charge tuition for apprenticeship. When the government did a user survey of current apprentices, and I'd just like to quote the user survey to you, it says, "Almost half of the respondents indicated they would not have registered for the program if they'd been required to pay half the tuition fees, about \$1,150, and more than half said the same when confronted with the full price of tuition." For your membership, for the people who rely on your services, would this be a barrier to access of apprenticeship and of the trade areas?

Mr Xilon: What we have to look at here is that our base of clients, or consumers, as we call them, is very wide and it involves people who are already successful in fields as well as people who are just starting out. So the answer to the question would be that in some cases it would be but in other cases it would not be an issue, of course, because they're in a position where they could financially support such a program.

When we made our recommendations regarding funding, one of the questions that was asked of us was, "What in your view are the cost and benefits of the alternative funding models or fee-paying models, tuition-based models, grant-based models, loan-based models, cost-shared models with unions and employers?"

The big problem that we brought forward when we sent back our recommendations is the withdrawal of the federal-provincial financial support, as an example, EI or other, during the apprenticeship in-school training. It is not supported. That's what causes the problem, not so much the tuition aspect. It's the aspect that you're in school for 12 weeks and then you don't qualify for EI because you're in school for that section of the program. If you're a family person trying to be successful in apprenticeship, you're already beaten before you even start.

Mr Caplan: That's why the charging of tuition for apprenticeship will create this kind of barrier, in my opinion.

I have one other question. There's something in here about the skill sets, that you think that's a particularly good way to go. If one of your clients were to get training in a particular skill set, and the nature of trades is often a very cyclical kind of business, and all of a sudden their skills are not required for that period of time, what other work would they be able to do? How would they be able to transfer to another sector or to apply the learning, apply the knowledge and apply the skills that they have obtained in their particular set to some other form of work?

Mr Xilon: What's been happening so far is we have started individuals in apprenticeships, in electrical, for example, and in apprenticeships for heavy appliance repair. If their apprenticeship has turned out to be unsuccessful due to long in-school sessions and such, these people have tended to go into things like retail and addi-

tional aspects, the selling of perhaps parts to the equipment as opposed to actually working on the equipment. So they haven't lost per se, but they certainly aren't where they want to be. Their hope and dream was to —

Mr Caplan: And they're not where they've trained.

Mr Xilon: Exactly.

Mr Caplan: So they are somewhat limited if they only have a part of a skill, rather than if they have the full broad range of a trade.

Mr Xilon: That would be correct, yes.

Mr Lessard: I notice that you refer to yourself as former apprenticeship coordinator. I'm just wondering what your background is. Are you a journeyperson? Does the March of Dimes have apprentices that you hire? I'm trying to get some background for your remarks.

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Mr Xilon: No. What I was doing was coordinating apprenticeship opportunities for individuals with disabilities, with the assistance and help of employers under, at that time it was OTAB, the Ontario Training and Adjustment Board, in our communities within northeastern Ontario. That's what I was doing at that time. My expertise is in right-to-accommodation advocacy for people with disabilities.

Mr Lessard: It's your opinion, I guess, that Bill 55 is going to be of assistance to persons with disabilities to obtain apprenticeship opportunities.

Mr Xilon: The presentation that I made today was on behalf of Ontario March of Dimes. How they came up with their views, I assume they had the required technical expertise to do so before they put themselves on the table as having support of sections of the bill. To answer how they came up with those, I wouldn't be quite sure. I do know that we did a major job of making presentations to OTAB, then to LTABs, to see what happened through PACs, which are provincial advisory committees — we're part of several of those — and with industry support. This is basically, I assume, what they've come up with overall from the complete story.

Mr Lessard: So you're a presenter here then today, I guess.

Mr Xilon: That's correct, yes.

Mr Lessard: All right. I don't know if you can answer this question then, but one of the things that was referred to in the presentation was the red seal certification program. We've heard from presenter after presenter that they feel that the changes proposed in Bill 55 are going to threaten that certification program. I wonder whether that's something you're concerned about or you have any opinion on.

Mr Xilon: I reviewed it as best as I could as far as Bill 55 goes, and I've spoken to many individuals about it. I am not sure why industries feel this is the case; probably because of the shortage of school types such as are suggested in the bill. Maybe that's why they're looking at that.

My point would be, and this is strictly based on the client base that we represent — the way exams are done right now, for example, we had several people prepared to

write the provincial exam, accommodation was not available to them to write it and what was necessary to get it done. Therefore, that quota has the seal being held back because obviously they weren't able to do the exam. So what that resulted in was people getting this close and not being able to finish. I'm not quite sure where their concerns come from exactly, not fully, but as far as people with disabilities are concerned, in most cases we're already eliminated from the program because of the way the red seal is put together right now.

Mr Lessard: Maybe they won't need to worry about it any more if that program disappears.

Mr Xilon: Well, I don't know if that's a good idea either.

Mrs Munro: Thank you very much for being here today and giving us your position on this. I wondered if you could explain a little more for us in the first page of your presentation where you are discussing the ability through Bill 55 to be linked to more than one employer or sponsor and partnerships with agencies, because we've heard a great deal of concern over the issue of a sponsor, that terminology within the legislation. Obviously, given the sensitivity around that, I think all members of the committee would want to be clear on the approach that you see, why this is a good thing to be including.

Mr Xilon: Are we talking specifically about the word "sponsor" or just the way it's put together?

Mrs Munro: In the rest of the sentence, you say, "partnerships with agencies...will be encouraged." I guess what I'm asking is if you could just give us a little more in a practical way why it's really important to make sure it's included.

Mr Xilon: I can give it to you in a very personal way. One of the reasons I'm not with the Ontario March of Dimes doing apprenticeship coordination at the present time is because the programs that was under were the access programs, which were eliminated. OK? Now, we had individuals who were well on their way to getting where they had to be to be apprentices, but there is a need for some sort of support to these individuals by the people they go to, because they are people with disabilities. We have needs that have to be addressed that often cannot be addressed, say, from the employer level. So we've deemed the word "sponsor" to mean something along the lines of, like, in a partnership with Ontario March of Dimes — support, job, accommodation, expert or something like that, and the employer and the individual — it allows a better opportunity for individuals to go.

What I'm talking about in a very personal way is that I had an individual who took a lot of support to get to where he wanted to be. Finally he had the opportunity to be an apprentice and unfortunately he left it. We're not aiming to be the journeyman here. We're aiming just to get the opportunity to be the apprentice. Technically speaking, if you have grade 12 and you come out of school with some knowledge base and pass the interview, you have the opportunity automatically. So we're going to just try to get to that point, to be considered to be an appropriate apprentice, for example. Then, of course, what happened was,

when I was gone and the program was gone the support wasn't there for that person any more and eventually they washed out.

The Chair: Thank you very much for your presentation this morning. A very interesting perspective. With that, thank you again.

Mr Caplan: Who eliminated the access program?

Mr Xilon: I'm just here as a —

The Chair: Come on, Mr Caplan.

ONTARIO SECONDARY SCHOOL TEACHERS' FEDERATION, DISTRICT 3 ESPANOLA-MANITOULIN-SUDBURY

The Chair: At this time we'll call the Ontario Secondary School Teachers' Federation, district 3, EMS.

Good morning, sir. Please introduce yourself for members of the committee and Hansard records.

Mr Alexander Bass: Thank you. My name is Alexander Bass. I am presently president of OSSTF district 3. I represent the educational workers and teachers in the Espanola-Manitoulin-Sudbury area here in northern Ontario.

I also am a technology teacher, teaching in the broad-based technology programs in the secondary schools here in Sudbury. I have also gone through the apprenticeship training plan and served out my apprenticeship and, I think, have a reasonable understanding of that process in terms of how it works in the province.

As I make this presentation to this committee I can also understand some of the skepticism of some of the people I've heard prior to my presentation when they're dealing with this. Having made, in the last two years, presentations on Bill 100, Bill 104, Bill 160 and Bill 136, all of which have had direct impact in terms of education and training of individuals in the province of Ontario, given all of the results of these things, I too am wondering why I come to these things and make these presentations.

Having said that, though, I do believe in democracy; I do believe this is the kind of thing that needs to be done, but not in the sense of being presented a bill with the threat of it coming in and then whipping around the province and talking with a two-week notice in terms of trying to get input from individuals to find out whether in fact we're jumping off a cliff or not.

Having said that, I'll go through my report.

We, in common with secondary school workers throughout Ontario, have concerns both with the specifics of this legislation and with the direction of apprenticeship training in general. We will try to address some of these matters in both of these areas. We can start by endorsing the issues raised in the brief presented to you already by our parent organization, OSSTF, the Ontario Secondary School Teachers' Federation.

Educational requirements: The reality of today's workplace is that more, not less, education is required by any trade or skill. Thus, rather than removing the requirement for a minimum grade 10 education as proposed, we feel

that the minimum requirement — at the very minimum — should be an Ontario secondary school diploma, OSSD, reached by one of the various routes available to both young people and adults.

Every trade is affected by the increasing complexity of the modern workplace. A hairdresser needs specific knowledge to understand and comply with WHIMS rules regarding chemical use. An auto mechanic needs a knowledge of computers, which are now used extensively both in cars and in the diagnostic equipment that they use.

Apprenticeship fees and wages: An apprentice, in most cases, provides a tangible benefit to his or her employer. As such, it seems unfair to require further fees from apprentices for the workplace component of their training. Further, to avoid exploitation by the employer, some minimum standard must be set in each industry for these wages. Any tuition fees should apply only to that part of the training conducted off the work site and for the required exams etc to become qualified.

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Training standards: While the needs may vary among different trades and skill sets, there remains a need in the workplace for close, frequent contact between the trainer and the apprentice. There should be minimum standards in place to ensure that all the apprentices are properly trained and supervised by a sufficient number of experienced, qualified practitioners of that trade, and such standards should be included in this legislation, either directly or by authorizing a strong central body to set them by regulation.

The theory and academic background required for a trade or skill set may be acquired elsewhere, but it is the very nature, we believe, of the apprenticeship system that the skills, the attitudes and the workplace habits are transmitted from master to learner. One learns by experience, therefore, the need of a master journeyman in terms of that program.

Further to this issue, there must also be a clear mechanism, again by legislation or regulation, for the establishment of minimum time requirements in steps from beginning apprentice to fully qualified practitioner.

Central governance: While committees at the level of the individual trades and skills must have a strong input into the standards required for their specific skill or trade, we still see a need for a strong central authority. The components of the Ontario education and training system — schools, colleges and universities — all are responsible to such central authorities.

Apprenticeship training, moreover, is unique and in the very direct involvement of active employers and employees. For this reason, we believe there remains a need for a central governing body made up of employer, employees, the education system representatives and union representatives which will oversee the laws, regulations and the rules as proposed for the individual trades and skills. The move in the act to more specific skill sets and the possible overlap of these across various traditional trades again make such central coordination even more important.

Secondary schools and apprenticeship training: Beyond the specific issues already directed by this act, we would like to address our concerns with the general direction of apprenticeship programs in Ontario.

A generation ago, a majority of people entering apprenticeship programs did so directly from secondary school. Often, the start of their training was in specific courses and programs within the school program. There may be a variety of reasons why this is no longer the most common pathway. At least one of these, however, is the inability of secondary schools, with current funding levels, to keep up to date with current high-tech equipment. In the traditional technical courses, in commercial courses and even in computer education, students are working with outdated equipment and rapidly changing curriculum. Close co-operation with employers can be a part of this solution, we believe. There remains an urgent need to revitalize this component of secondary education and to re-establish the credibility of the secondary school as entry into apprenticeship programs.

One such route which the Ontario secondary school system has been involved in for some time is the Ontario youth apprenticeship program, OYAP. The development of OYAP from its roots in SWAP, the student workplace apprenticeship program, is a major step forward, in our opinion, by the Ministry of Education and Training in this area as it relates to the secondary schools. I was personally involved in developing this program at the local school board level. I think it is important here to explain briefly how the program works.

Applicants for the program came out of the grade 9 and 10 what we now call applied courses, typically, the broad-based technology, business education/computer, family studies and graphic arts courses. These programs developed initial interest in the apprenticeship area and it meant that students entering into the senior levels had some background and some desire in terms of moving in this educational direction.

Students would select courses at the grade 11 and 12 levels that matched their interests and matched as closely as possible the initial apprenticeship needs and would allow access to the OYAP program. This OYAP program is not to be confused with the co-op program that also runs in schools which is a job experience program. This program was initially set up to provide access into apprenticeship programs through whatever available methods were approved of in the community.

The OYAP program, which offers subject-based co-operative credits, allowed the students to spend one semester, first or second in a year, in the workplace and to complete their grade 12 in-school requirements, which were all of the math, sciences and the English and communication courses that they would need for a diploma, in the other semester. The subject-based courses taken during the in-school semester were developed by the Ministry of Education and Training and the local area business community to address concerns of local employers.

The student was registered in an apprenticeship at the grade 12 level, starting into the entry at that time, and, if

agreed by the parties, could also count the time that he spent in the grade 11 requirements towards his certification. The students were paid during grade 12 and remained with the company to complete their apprenticeship training, as required by the Ministry of Education and Training. If a position was not available at the local level due to economic constraints by the firm that the student was placed with, they would have, we believe, a very much enhanced choice of continuing their training elsewhere within the province with another employer.

This program has many benefits, both to the young people and to the employers themselves. Employers were satisfied because the program placed highly motivated young people interested in the field of study, as demonstrated by the streamed program at the secondary level. It allowed them to assess the performance level of the young people over a two-year period before committing to hire such a person. By involving more than one student, companies could be assured of a constant local potential work pool to hire from, enhancing their opportunity for future employee screening. Employers also had substantial input into the content of the in-school component, which would help with their individual needs.

Young people gained by obtaining entry into the apprenticeships. Many in northern Ontario were able to access apprenticeships not previously possible as a direct result of this program. For example, we have had individuals start machinist courses with local employers who have now subsequently moved to southern Ontario and picked up jobs as a result of the training that they initially began here in Sudbury. The major aspect of this approach is that they all graduate with a secondary school diploma, which provides them both the academic and, we believe, the applied skills to ensure future success. They too get a chance to observe the merits of the apprenticeship program itself, as well as that of a future employer.

This program deserves more attention. We're not suggesting everything is perfect about it. There need to be changes, and obviously that's only done by dialogue. Funding has been cut out of this program and it is sitting in a state of flux right now in terms of where it's going. Many of our recommendations in Bill 55 regarding educational requirements that we are insisting remain would be met through the use of such a program.

Adult education: Nevertheless, even a strengthened program for the traditional high-school-aged student will not eliminate the need for a stronger adult education program. For some who already have completed a traditional high school education, a refresher and a skills-upgrading program at the post-secondary level may be all that is required. However, for those lacking a complete secondary education, there will be a need for a program at the secondary level to provide the required contribution of academic and skills-based education to give them the second-chance opportunity towards entry into an apprenticeship program. The government of Ontario must step back from its current, disastrous cutbacks in the funding for adult education.

In summary, there is no question that the future of a successful economy in Ontario requires a skilled and well-trained workforce. The proposed act, while addressing some of these matters that need to be updated and providing a mechanism to recognize the changes in the trades since the original legislation, should be amended in at least five major areas: educational standards should be raised, not eliminated; there should be a minimum time requirement for programs; there should be a minimum standard for the ratio of apprentices to trainees at all work sites; there should be no financial constraints to entry into the apprenticeship programs or further fees or inadequate wage standards in terms of those individuals participating in them; and there remains a need for a strong central, coordinating body representing employers, employees, educators and organized labour.

1150

This bill, according to OSSTF, should not proceed in its present form at the present time until proper dialogue has been had with all of the stakeholders, and again, not just four meetings throughout the province and suddenly where we're whipping together — I was told last Thursday that I had an opportunity to address this group. That is not proper dialogue, in my honest opinion. Clearly, the OSSTF's position remains that what exists has been working in the past. It probably needs to be upgraded and changed in terms of fitting the new information age and the new technologies we're now dealing with but, at the same time, that has to be done in a very thoughtful, organized way and not in a holus-bolus, jumping-off-a-cliff approach. That seems to be the way we're going in terms of dealing with this particular bill.

The Chair: That gives us about a minute to a minute and a half for each caucus, so I would ask members to be quick in their questions and responses.

Mr Blain Morin: Thanks very much, Sandy, for the presentation. I'm just looking at the OSSTF response to the proposed apprenticeship reform. We know, because of the cutbacks of this government, post-secondary education students are graduating at this time with debt loads of up to \$25,000. I notice the position is that the OSSTF feels it's completely unfair to download those costs. Can you expand on that and tell us what you're seeing are some of the concerns of these students coming into apprenticeship programs, as far as these raised costs are concerned?

Mr Bass: You're referring to post-secondary, the college level and so on. That's fair, but I'll be very honest with you. The times have changed in Ontario. For example, to get into an electrical apprenticeship or into instrumentation or any of the related electrical trades, most employers, certainly huge employers in industry that have guaranteed, long-term jobs would be requesting — the minimum, I would expect, at Inco and Falconbridge would be a two-year program through a college in technical, in electrical and so on. That is a substantial increase.

In the compulsory trades a lot of structure needs to stay as it is. I guess it comes down to, as this committee and as the various groups deal with compulsory and non-compulsory, where it will be. I think there is clearly job-

entry skill. I'm thinking of cooks; I'm thinking of hair-dressing; I'm thinking of all kinds of non-compulsory trades that we could enhance at the secondary level. Keep kids in school until they finish their grade 12, and at the same time put them into these. At the other time, we also realize the importance of skilled trades, of the compulsory trades, of making sure that it is a total trade and so on. We would be hoping to access that kind of thing.

Adding the cost here, I think, does the same thing to young people in this particular situation as it does to the college and university people. It's another tremendous cost that they have to work under just to take their place in the workplace.

Mr Gilchrist: Thank you very much for your presentation this morning. I genuinely appreciate the balance that you brought.

We also had received, as part of a submission of one of the other groups a little earlier this morning, part of a proposal made by the Toronto Catholic District School Board. In their introduction, they too come out and say they welcome the redesignation of many of the provisions of OYAP. Quite frankly, if I may be so bold, they support the ministry in the area of secondary school reform and apprenticeship reform, and go on to elaborate on that.

I don't think there's any principle you've outlined in your presentation we disagree with. I guess when I look at your final page, your response to apprenticeship reforms — let me just focus on one, because I know we only have a few seconds here: the issue of the minimum grade 10 educational requirements. As you've looked at OYAP and other programs, and with your knowledge of apprenticeships in general, would you be comforted if it was up to the industries to set the standards — “industries” meaning all the players, of course: the employers, the employees and people representing apprentices as well — and rather than an artificial level, which goes back to 1964, they want to set it at grade 11 or 12 or a college degree? If that was in the regulations, would that placate your concern completely in that area?

Mr Bass: Obviously if that was included in the legislation, if, for example, it was college or pre-apprenticeship or the kind of program that required entry after grade 12, absolutely, we would be moving in that direction. I think it is very clear even in simple trades now — I had a student involved in an auto body thing, and I was blown away in terms of the amount of information this person needed to know in terms of mixing chemicals, hazardous chemicals and all kinds of equipment, finishers and so on as he worked. And he was not doing this, he was just participating in terms of the program to move into that kind of program. Grade 10 was ludicrous before and to suggest less than that is absolutely ludicrous.

Mr Michael Brown: I was delighted to see you, Mr Bass. I represent some of your members, at least indirectly, representing Manitoulin Island in the Espanola area. One of the things we find in the more rural north is that programs, because of constrictions within the secondary school system, particularly in the technical areas, obviously in the more rural areas you cannot and don't have

the resources to offer the variety of technical courses, the shops — if you've got a problem in Sudbury with having all the latest equipment, obviously more rural schools have that difficulty.

I wondered if you could just comment upon what your membership is finding in the more rural areas in terms of how OYAP had worked and how you see that proceeding outside of the urban area.

Mr Bass: The only experience that I have in terms of talking to a number — and I've talked to people in New Liskeard that have been involved in this, very small communities. The aspect that they like about this particular approach is that it allows a young person to finish their grade 12 and to have been started into the apprenticeship program with a local employer, even though we clearly realize that the local employer will not hire that apprentice. What it does do, though, and I must be very clear, is that when we send students into the workplace, it is not to do the work of regular employees. One of the provisions of OYAP and the program is that this is not meant to displace workers; they're to work on a one-to-one ratio with the tradesmen that they're put to, and the only time that they would perform work is when that particular tradesman allows them to participate in what he or she would be doing in the workplace.

You may have an excellent machine-shop program in the particular school that you've got but there's no local industry to hire the young person. They can participate in this program and, let's be very honest, as they go to southern Ontario where the jobs in this particular area are expanding and they're looking for these kinds of people, when they present these credentials and the fact that they are already indentured in whatever program they are in, they have a giant step in terms of getting through the paperwork of getting a job. For that, it's a very important benefit to people living in northern Ontario.

The Chair: Thank you very much for your presentation here this morning. This concludes this portion of the hearings.

The committee recessed from 1157 to 1320.

PROVINCIAL BUILDING AND CONSTRUCTION TRADES COUNCIL OF ONTARIO

The Chair: We're very fortunate to call the Provincial Building and Construction Trades Council of Ontario. Welcome, Mr Dillon. Perhaps you could introduce yourselves. You have 20 minutes to use as you decide.

Mr Patrick Dillon: My name is Patrick Dillon. I'm the business manager and secretary-treasurer of the Provincial Building and Construction Trades Council of Ontario. With me is Alex Lolua, our director of government relations.

Our council represents over 100,000 building trades workers, journeypersons and apprentices. We build and have built every building in Ontario with tradesmen, not necessarily by our council but certainly by tradesmen and

apprentices who have come through the apprenticeship system.

As this is late in the third day of public hearings on Bill 55, many of the issues are beginning to become repetitive. For this reason I would like to highlight some of our key concerns and our recommendations. I ask you to please read our brief and look at the accompanying documents with the brief which will give you some short history on our involvement over the last couple of years in apprenticeship reform.

First, I think the committee should be impressed by the interest shown in these hearings, and in particular by the construction industry. The overwhelming majority of applicants and presenters have been from construction. By the time the hearings have been completed, you will have heard from joint labour-management groups like the Ontario Construction Secretariat, the provincial labour-management health and safety committee of the Construction Safety Association of Ontario, the provincial advisory committee of the sheet metal and roofer trade and provincial advisory committees for the electrical trade and the mechanical trades. You will also have heard from the management groups like the Boilermaker Contractors' Association and the mechanical and electrical contractors' associations, and from many different construction employee groups. The reason this has occurred is the result of our many years of co-operative commitment to apprenticeship training.

For the most part, they have all told you that Bill 55 is not good for our industry. This unanimity from both management and labour is the result of the joint efforts we have made in the field of training. This long history of apprenticeship training has not been evidenced in the industrial and service sectors because many employers in those sectors failed to make the commitment to apprenticeship training. I would refer you to the section of our brief entitled "Acquiring a Trade versus Learning 'Skill Sets'" on page 6.

In the construction industry we have two types of trades. One is the compulsory certified trade where you must be a registered apprentice or a certified journeyman in order to practise the trade. It is our fear that the standards established by these trades will be eroded as a result of changing our apprenticeship training from a trade-based system to a skills-set-based system. Bill 55 should make some reference to ensure that the current compulsory trades maintain their current status. We must also develop a transparent process whereby any other trade may become compulsory certified based on the recommendations of their provincial advisory committee.

The other type of trade is a voluntary trade. A very real concern for the voluntary trades in the construction industry is that apprentices will not attend the in-school portion of their apprenticeship because they will only be working under a system of guidelines. Why would an apprentice leave the job to take the in-school portion of their apprenticeship to properly learn their trade when they know they won't be penalized for not meeting the guidelines set out by the industry committee? There can also be some very

serious implications for colleges and other training providers should the voluntary trade apprentices not attend the in-school portions of their apprenticeships.

You have heard many groups raise a concern over how apprentices will be sponsored under Bill 55. The sponsor of an apprentice must have a relationship and experience in the trade that the apprentice will work in. Thus a sponsor of an apprentice could be a joint apprenticeship committee or a local apprenticeship committee, for example, but it should not be a municipality or a community college.

It is also imperative for training and safety reasons that apprentices not be self-employed. The employer-employee relationship is a key component in ensuring that the apprentice receives quality training in a complete trade.

I also want to briefly touch on the issue of ratios. Ratios are not a standard-of-work issue. They ensure that on-the-job training can take place in a safe and effective manner. Any legislation that is supposed to deal with apprenticeship training must have some minimum standards. The provincial advisory committees could then decide if it would be in the best interest of a particular trade to establish more stringent ratios.

I ask the committee to refer to our recommendations on page 11 and 12. I think that these items reflect many of the requests you have heard from the many construction industry representatives.

My remarks have been directed at the construction industry. However, I personally believe that the method of training through apprenticeship works in all sectors. I also believe that some of the presenters, such as the chamber of commerce and the board of trade, have not demonstrated a commitment to training in general and to apprenticeship training in particular.

I don't think Ontario's apprenticeship system is broke; it can certainly use some tinkering and adjustments to make it better. This committee and the Ontario government would do our province a favour if they were to withdraw Bill 55 and commit themselves to that goal. The construction industry would commit itself to work with government to correct any perceived flaws that have driven the government to reform the system as it is now.

I have intentionally kept my remarks brief in order to allow for interaction with the committee.

The Chair: Thank you for your presentation and remarks. Our first line of questioning is from the PC caucus.

Mr Gilchrist: Thank you, Pat and Alex. Good to see you again. We've had an opportunity over the last couple of days to hear, as you've mentioned, very similar concerns.

Let me go right to your recommendations here. Even recognizing that the overall framework of the act is different, more compact than the existing act, would most of your concerns be addressed if two things were done, first, if there was a clarification that when the act talks about occupations and skill sets, by "occupations" it continues to mean the certification of entire trades? You wouldn't be — fill in the blank — an electrician, a roofer, a plumber,

unless you had satisfied the comprehensive curriculum, as exists today. That's point one.

Point two, if the PACs, or whatever we may call them in the future, have the ability to determine industry by industry the appropriate ratios, wage rates, all of the working and training conditions themselves, independent of any kind of intrusion from any other entity, would that change your perception of what we've got before us here? If not, what else needs to be done?

Mr Dillon: Let me attack the certification for an entire trade. It's difficult, and maybe I have to start by saying that the way the act is written it looks like someone is asking us to put a lot of trust in the director of apprenticeship, because this bill gives all power to the director, which I might point out to you is not really what your Common Sense Revolution seemed to be all about, that we would be handing more power to the bureaucracy. It really speaks to handing more power to industry. I don't see that this bill is doing that; it does the exact opposite.

What you're suggesting about certification for entire trades would be a step in the right direction, yes. The issue of the PACs having the ability without intrusion is another step in the right direction, but we don't see that in the bill. Those kinds of things certainly would help alleviate a lot of the fears we have.

1330

Mr Gilchrist: You've been kind enough to encapsulate a number of the concerns from the perspective of your trades. I guess I'm trying to formulate in my mind a sort of synopsis on how our response might be. We've heard an awful lot about some of the individual components but they vary so widely right now that there clearly has been evidence that industries themselves, working together — the employers and employees — have fashioned much of what the apprenticeship program is today. I guess in your perfect world, would that be how we move forward from here, to not only perpetuate that system but maybe even expand on that?

Mr Dillon: I'm not exactly clear what you're asking me, but if that's what we were trying to accomplish, then why wouldn't we just amend the Apprenticeship and Tradesmen's Qualification Act that we have now and accomplish the things you're talking about? I don't see anything in the existing act that stops us doing what you're suggesting.

The framework we've been handed in Bill 55: When we understand that we can — at least we think we can — do the things you're talking about with the existing act, what do we need this act for? It leaves the question there, what the hell are you trying to accomplish? We're quite afraid of what that might be.

Mr Caplan: Mr Dillon, Mr Lolua, thank you very much for your presentation. In your brief you have a couple of appendices. It's clear you've made this kind of presentation to the Ministry of Education, to the provincial government on numerous occasions. The basic question is, what effect did those presentations have, because I don't see anything that was contained in your earlier submissions in Bill 55. Maybe you want talk a little bit about

some of the consultation that's taken place and the lack of action between what you've said previously and what we have in front of us today.

Mr Dillon: One thing that I want to make abundantly clear is that when you look these appendices, if you look at tab 1, it was a construction industry meeting of April 20 that was attended by the homebuilders' association, COCA, all the contractor groups both union and non-union, and all the worker groups and the provincial advisory committees. This document made some recommendations. I don't see them reflected in Bill 55. The one issue that did win the day, a recommendation we made, was the age 16. That is really the only one I see. It again takes me to the issue of, if we've done all this work and we've met with the ministry people, both political and bureaucratic, and we don't see it reflected in Bill 55, what is the message of where we're trying to go with Bill 55?

Our industry, I think probably all sectors but certainly the construction industry, can't take a chance on trusting those who really understand what the construction industry is all about. That's not a reflection on a lot of people around the table; most people in society don't understand the intricacies of the construction industry. It's difficult for them, for people who don't understand it, to make changes that are going to help us when they don't understand us.

Mr Caplan: Given that you've done all this work, that you've tried to advise and use your expertise to improve an apprenticeship system which is fundamentally sound, and that Bill 55 says, "Trust me on it. It will come out later in the details. We'll give you the regulations," what confidence do you have that your industry is going to be able to trust the provincial government to ensure that you still have a vibrant apprenticeship system in the construction industry?

Mr Dillon: Not wanting to shoot the messenger of anyone here, the fact does remain, as I've already stated, that our industry has primarily run its own training system for many years. We know it and understand it. Looking at Bill 55, we don't think the government understands what we really do. Do we trust them to develop a system for us? I guess the short answer to that is no. Are we available to work with government to make the changes? Yes, but it has to be industry-driven.

Mr Lessard: Thank you very much. I don't profess to be one of those people who understand a lot about the construction business, and that's why I'm pleased that people like yourself who do have that expertise have taken the time to attend before this committee and to present us with this document, which we received in Toronto as well.

One of the concerns that I share with you is just the general direction, where we're going with Bill 55. We haven't really had that explained by any of the presenters here who say, "This is what we want, this is what we need, this is what we've been asking for, and this is how good it's going to be." I'm still waiting for someone who will come before us and say, "This is what we've been asking for for a long time."

I think there have been other jurisdictions that have gone down this road as well. One of the reports that was

presented to us a couple of days ago was from the business round table in the southern states. They've gone down this direction and now are finding that there's a shortage of skilled tradespeople.

You mentioned Alberta as well in your document as an example. I wonder if you can tell us a little bit about what you know about what's happened in Alberta.

Mr Dillon: I'd like to comment on both aspects: the business round table issue in the southern states and Alberta.

On the business round table issue, I've just recently come back from Houston because of some other legislation that has passed here in Ontario recently that allows for project agreements. I went down there to meet with the building trades and to try and get a handle on what is really going on in that area. The business round table reflects exactly what's going on there in the shortage of skilled tradesmen. The government of the day 15 years ago or so — I don't know exactly how long — put in right-to-work legislation in Texas. They really dismantled the unionized industry in the petrochemical business. That's been a hard pill for us to swallow for 15 or 20 years. The fact of the matter is that now they're starting to come back to the building trades, because we supply an infrastructure for apprenticeship training. They don't have the skills now to perform the major construction work that they have coming in front of them.

Alberta, 15 years back, made a decision to water down their apprenticeship system, and they went to one-to-one ratios of apprentices, the philosophy of that being that injecting a whole bunch of apprentices into the workforce is going to put a whole bunch more people to work, and we'll have a whole raft of skilled tradesmen available for the future.

1340

The fact is that it's done the exact opposite thing. There's a shortage of skilled tradesmen in Alberta right now, and they're just starting into a building boom. They should have a surplus. They don't have a surplus, and the reason for it is, if there's no future in the trade for me, I will not enter the trade.

As a parent, I will not suggest to my son or daughter that they should enter a trade if there's no future. So the skill sets issue, the ratios issue and the formula for wages all become part of that incentive to take an apprenticeship. Alberta is living proof that this is the wrong way to go, eliminating those ratios and the wage formula.

Mr Lessard: One of the things that they're changing as well is the minimum two-year contract requirement. Does that cause you some concern as well?

Mr Dillon: Yes, and for a number of reasons. I'm not an employer, so I can't speak to the efficiencies that they look for in their business; their business is to work on efficiencies. But if a person doesn't have the hands-on training, they cannot efficiently perform the tasks that need to be performed when an employer sends them into a workplace to do work.

We heard employers here this morning talking about the average size of their group being seven or eight. Well,

that employer doesn't have a CEO, doesn't have a human resources manager. He or she owns that company. They hire us and we go out and do the work. Lots of times the employer never sees the job. They have to depend on us being actual business people out performing for their company. To send somebody who hasn't had the hands-on training — I suggest to you that there are very few trades that can be learned, and I don't know of any, certainly in construction, in less than a two-year period.

Mr Alex Lolua: If I could, Mr Chair, on that point, one of the things too in construction is the vast exposure that the construction worker gets. For example, a pipefitter could be at a hospital one day hooking up medical gas, be in an office tower hooking up their waste systems. The reason we require a minimum time period is because you can learn how to connect a pipe in classroom time, but you can't get all those exposures in less than two or three or four years. That's why the PACs have established that apprenticeships last that long in certain trades.

The Chair: Thank you very much for a very comprehensive presentation this afternoon. It's been worthwhile.

COUNCIL OF ONTARIO CONSTRUCTION ASSOCIATIONS

The Chair: With that, I'd like to call forward the Council of Ontario Construction Associations. Please give your name to the members of the committee and Hansard.

Mr Ron Martin: Good afternoon, Mr Chairman and members of the committee. My name is Ron Martin. I am the executive director of the Sudbury Construction Association. Prior to that I spent three years in the Ministry of Education and six years delivering training programs.

The Sudbury Construction Association is a member of COCA, and I am making the presentation on behalf of them. We'd like to thank you for inviting us to comment on Bill 55. COCA is a federation of construction associations representing employers of all sizes from across the province. Our members have a long and spectacularly successful involvement with apprenticeship in Ontario, and our apprenticeship committee is happy to share this expertise with you.

As you will hear from us, from the Ontario Construction Secretariat, from the Provincial Building and Construction Trades Council of Ontario and other groups that have been associated in running apprenticeship programs in construction for many years, we are very passionate about apprenticeship in Ontario. We all want to encourage young people to consider a career in construction. Apprenticeship training is the best way for workers to gain a well-rounded education in a specific trade and to gain the necessary on-the-job training. Reform is necessary for Ontario to meet the requirements of the future.

While there has been concern about Bill 55 expressed by various groups, it should be noted that there is similarity in the views in the construction industry and representations that you've heard today, and I don't apologize for repeating a lot of those; I think it's important that you hear them from different points of view. This is because we

convened a meeting of the industry in April of this year and developed a consensus document, which Mr Dillon talked about previously, on apprenticeship reform. We communicated the consensus to ministry officials, the parliamentary assistants and the minister.

Even though we've had a great deal of consultation about Bill 55, there are still a number of issues that we would like to have clarified.

In the first place, we note that Bill 55 represents a marked departure from the Trades Qualification and Apprenticeship Act that has been in force for many years. As the ministry has explained, virtually all references to employment and employment standards have been removed and the drafters have tried to limit the provisions of the bill to education and training. While this limitation is understandable, it leaves a number of issues unaddressed. We would like to point these out and ask you to consider some amendments to make the legislation compatible with the realities of apprenticeship in construction.

We begin with the preamble. In our view, apprenticeship has been based for many years, in fact centuries, on the principle of employment: employment of an apprentice by a qualified practitioner of the trade. There is no reference to the crucial employer-employee relationship in the preamble, and we believe there should be one. The current preamble talks about "workplace-based" programs, but the passing on of information and the honing of skills comes from the employer — the journeyperson — and not the workplace. We believe this should be mentioned in the preamble and also in the definition of "sponsor" in section 2.

Secondly, the preamble mentions the acquisition of skills to "expand opportunities for Ontario workers and increase competitiveness of Ontario businesses." These are worthy goals, but we believe they are not the only goals of apprenticeship, certainly in our experience. For example, satisfactory completion of an apprenticeship to the standards set by a committee of experts in the trade is an essential provider of consumer protection. Achievement of a certificate of qualification enhances occupational health and safety and adds to the protection of the environment. We believe these important goals should be stressed in the preamble, especially consumer protection, because this was the principal reason a number of trades were made compulsory in the first place.

Further, from the beginning of our lengthy consultation with the ministry on apprenticeship reform we understood that the provincial advisory committees would be given a much more important role. While section 4 outlines more roles than were contained in the previous act, Bill 55 states that the minister "may" establish such committees. Such wording conforms to prevailing drafting requirements but it leaves many of our members in COCA uneasy.

To explain, there were PACs under the TQAA, but during the period 1990 to 1995 appointments to the PACs were often not made, and those that had appointees were rarely called to meetings. To avoid the development of such a situation again, we believe Bill 55 should say that

the minister "shall" establish committees for the purpose outlined. From my own previous experience of spending three years in the Ministry of Education with the bureaucracy and the politics and my time in the construction field, I'd be much happier having the people in construction make the definitive decisions about apprentices in construction.

Mr Johnson has told us that the committees will be established and they will have an important responsibility, but we want to ensure that such is the case so long as the bill is in force. In other words, this bill is going to be around long after the people at this table and the current government. We want it in writing.

Section 8 of the bill allows the director to issue letters of permission. This is a very important aspect of apprenticeship, but the bill does not define the letter of permission or explain its purpose or necessity. We believe section 2, definitions, should contain this information.

Bill 55 has also removed all the references to ratios of journeypersons to apprentices, as well as any reference to a wage formula. As we said, we understand that the drafters wanted to confine the bill to matters of education but, in our view, wages and ratios do not relate solely to conditions of work. They are important considerations in apprenticeship per se. In our experience, with a higher number of apprentices to journeypersons there is a dilution of the quality and quantity of training opportunities. We believe the creation of a minimum standard of ratios should be established in the bill to guarantee the acquisition of skills and the expansion of opportunities mentioned in the preamble. Equally, a standard for wages such as exists in the current act is important not for employment per se but to ensure that young people will be attracted to the trades.

Should it not be acceptable to this committee or the ministry to put ratios or a wage formula into Bill 55, we believe the Minister of Labour should bring in amendments to the Industrial Standards Act or the Employment Standards Act to accomplish these important educational goals. Such action would also ensure that Ministry of Labour inspectors would help enforce these provisions.

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There has also been strong concern voiced in the construction industry about the wording of section 8. You've heard a lot today about the issuance of skill set certificates. We understand from ministry officials that there will be one certificate of qualification, and that it will be awarded only on completion of an apprenticeship prescribed by the appropriate occupation committee. We understand that no certificate of qualification will be issued for a skill here and a skill there.

The construction industry requires assurance that this is the ministry's intention, and we need an interpretation of subsection 8(1). This can be accomplished by defining a certificate of apprenticeship, a certificate of qualification, and a certificate as an endorsement in addition to a certificate of qualification in section 2.

I and many of the speakers today sit on a committee that monitors the Ontario labour mobility agreement. It

has been a bit of a nightmare to try to get compatibility between trades with Ontario and Quebec so that we can certify and move workers back and forth. It's my personal belief that what we're doing here makes what was a very difficult job almost impossible because it muddies that issue.

Finally, we want as an industry to have some real assurance that all the aspects of the legislation will be enforced. The Ministry of Education and Training is not known as an enforcement-oriented ministry. There are provisions in section 16 for fines, but they are limited in their application. We believe all aspects of the legislation should be enforceable, with penalties for contravention.

In summary, COCA's apprenticeship committee recommends the following action:

(1) Amend section 1 to read, "The purposes of this act are to support and regulate the acquisition of occupational skills through employment in apprenticeship programs that lead to formal certification, and thereby to expand opportunities for Ontario workers, increase the competitiveness of Ontario business and enhance consumer, worker and environmental protection."

(2) Amend section 2 to read, "'apprentice' means an individual who has entered into a registered training agreement under which the individual is to receive training in an occupation or skill set by employment in that occupation as part of an apprenticeship program approved by the director," and, "'training standards' includes ratios of apprentices to journeypersons in the workplace and formulae for the wages of apprentices as a percentage of the wages of journeypersons."

(3) Further amend section 2 by adding, "'letter of permission' means a letter from the director allowing a worker from another jurisdiction to be employed in an occupation for no longer than three months," and a definition of certificate of qualification, certificate of apprenticeship and certificate of endorsement.

(4) Amend section 3(2)1 by adding after "training" "as developed, revised and recommended under section 4(1)2."

(5) Amend section 4(1) to read, "The minister shall establish a committee for any occupation or group of occupations to perform the following functions."

I thank you for your attention. Assuming we have time, I'll try to answer any questions you have.

The Chair: Thank you, Mr Martin. We'll begin with the Liberal caucus.

Mr Caplan: Mr Martin, thank you very much for your presentation. I think, as you said at the outset, there has been a remarkable agreement among everybody who's appeared at that table, be they in Toronto, Windsor, or here today in Sudbury, and my expectation is that in Ottawa we'll hear many of the same messages.

Bill 55 comes down to: "Trust me. I'll later show you the details." From what I'm hearing from you and from all the representatives, we want to see it in the legislation. We want to have some certainties and guarantees. You're being very clear; that's what you're saying.

Mr Martin: That's what we need. Apprenticeship is the lifeblood of our industry, and we need it in writing.

Mr Caplan: What I've also heard from a number of presenters is that if Bill 55 passes as is, in their opinion it will mean a loss of jobs in Ontario and a loss of jobs for Ontarians. Do you hold that view as well?

Mr Martin: I don't happen to have with me COCA's particular view. As you can see from the list, COCA is a group of a large organization, and I don't think they've taken a position on it. My personal view is that it's possible. I think the construction industry is served far better with the amendments we brought today.

Mr Caplan: One last question: You mentioned the red seal program and some of the nightmares in the cross-border issues between Ontario and Quebec. How critical is it for Ontario to participate in that program? By your own comments, Bill 55 would imperil Ontario's ability to be a part of that kind of agreement, so how important is that to your industry?

Mr Martin: I'll try to answer it briefly. There's an unlevel playing field between workers and contractors in Ontario and Quebec. It is easier with the new agreement for workers and contractors to move. Obviously, for workers to move, the contractors have to move. It's virtually impossible for a worker to not move to Quebec with the contractor. Under this new agreement — and Quebec is doing this grudgingly, kicking and screaming as we go. We have a monitoring body on both sides to try to push the process. Their certified trades are different from ours, and we're still struggling with which ones we will recognize and which we won't recognize. We then go off into skill sets. It's my view that it not only makes it difficult internally in Ontario but it'll begin to make it incredibly difficult, because Quebec will use that as an excuse to not allow certification of workers to move back and forth.

Mr Blain Morin: Thank you for the presentation. I know you were here when the Provincial Building and Construction Trades Council of Ontario presented. One of the recommendations they made pertaining to Bill 55 — and I believe you've alluded to it — is that Bill 55 has too many unanswered questions. The recommendation from the council, of course, was to amend the Trades Qualification and Apprenticeship Act, that some minor amendment to that would have perhaps enhanced opportunities for apprenticeships in this province. What are your feelings on that? Do you concur with their statement?

Mr Martin: It's almost like a parliamentary process. Are you better with a new act or to amend the old act? If you implement the recommendations we put forward, whether it's to the old act or whether it's in a new act, whatever you call it, we don't really care. We want certain things that are in there that aren't in the old act. We think there are some things that need to be revised, but we've clearly listed what we don't want in the new act. I'm not sure that's the critical issue as much as it is taking the unified issues in construction that were brought by both the building trades and the different management groups, those that are consistent and clear, and imple-

menting them, however you people decide to get legislation passed.

Mr Blain Morin: But certainly from your perspective and the perspective of the association, you would feel a lot better to see the regulations or see a final draft of the entire package, what Bill 55 should look like, instead of guessing where we're going with it.

Mr Martin: Yes, we'd like to see some of the things we alluded to clarified, for sure.

The Vice-Chair: We'll move on to the government caucus.

Mr Gilchrist: I got the nod, did I? Forgive me, because I was outside chatting with some of your colleagues on their presentations.

One of the things we're wrestling with here, just as you were discussing with Mr Morin, is the way to ensure that the various readings of the language in this act are clarified. I read certain sections that talk about the requirement for the director to approve forms of training and programs for occupations. That says something very specific to me. Would you necessarily preclude the ability for us to deal with a lot of what we're hearing in the various presentations by coming out with far clearer wording on something like that? For example, if "occupations" was further defined to state that that is an existing restricted trade, would you have any lingering concerns that to be an electrician a year from now means anything less than to be an electrician today?

1400

Mr Martin: "Any lingering concerns" kind of pins me down, but it would improve it considerably.

Mr Gilchrist: We do face certain parliamentary realities and we're wrestling with the time frames, as everyone is in this case. But I don't think it's impossible. I think we've seen the thoughts from many presentations come down to some fairly common themes. Part of that is the need to just give the assurance, particularly in the restricted trades, that there is that ongoing commitment to public safety, to personal safety and to the absolute comprehensive training, that you can't be called an "electrician" until you've taken all the skills to be an electrician.

Mr Martin: That's correct.

Mr Gilchrist: If that was the sort of clarification, what would you then say? Would you have any serious lingering concerns about it?

Mr Martin: Yes —

Mr Gilchrist: In that area?

Mr Martin: In that area, that would go a long way. In the areas around the PACs, I'd like to see in writing some of the discussion that's taken place between the various construction organizations and the government, saying that the PACs will have teeth. I think what you've heard today is that the PACs want teeth. You've seen the electrical people in this area do a number of presentations today promoting their model, and they should be. It's very good. They should be proud of it. They want to ensure that the labour-management people in that trade have the say in what's going to happen. I think that's a reasonable expectation.

Mr Gilchrist: We appreciate their representation, and yours.

The Vice-Chair: Thank you very much for being here today and bringing your comments forward.

SHEET METAL WORKERS' INTERNATIONAL ASSOCIATION, LOCAL 30

The Vice-Chair: I call the Sheet Metal Workers, local Union 30, Joe McPhail, the business agent.

Mr Joe McPhail: My name is Joe McPhail. I'm a business representative of Sheet Metal Workers, local 30. I want to thank Tom for giving up his time to allow me to speak. I want to introduce James Moffat here, who is the training in trades coordinator for the trade of sheet metal and roofer in the province of Ontario. We'll both be taking the opportunity to address the committee on Bill 55.

You have before you a presentation that I put together and that was supported — I think you have letters with you — by the local joint apprenticeship committee, which includes equal numbers of employers and tradespeople and union representatives at that committee. They willingly support this presentation. They willingly support the current apprenticeship and certification process. I just received that letter yesterday at our meeting.

I'll begin by introducing where I'm coming from. I represent labour on the Toronto and Area Local Joint Apprenticeship Committee for the compulsory certified trade of sheet metal worker. The mission statement of this group is to achieve, through mandatory requirements administered by the local joint apprenticeship committee, the graduation of premier sheet metal journeymen, well trained, highly skilled and mentally prepared to deal efficiently and effectively with the ongoing changes and sophistication of a technology-driven industry.

Just so you understand who I am, I retain a valid certificate of qualification for Ontario in the trade of sheet metal worker with an interprovincial red seal designation. I am recognized as a certified health and safety representative in Ontario, with a construction-specific designation. I sit on the local union education committee, and I am a trustee of the training and rehabilitation trust fund of Sheet Metal Workers, local 30. I'm also, as I said earlier, a business representative of local 30, which is just one of 11 local unions comprising the Ontario Conference of Sheet Metal Workers and Roofers working in the residential, institutional, commercial and industrial sectors of the construction industry. I'm a table officer of the Toronto-Central Ontario Building and Construction Trades Council, and I sit at the Toronto and district joint labour-management safety committee of the Construction Safety Association. Finally, my comments in this presentation are fairly typical of the average tradesman and contractor in our industry.

I represent 3,400 sheet metal workers and roofers, over 200 of whom are apprentices, the largest single group of certified sheet metal workers and roofers and indentured

apprentices in Canada, and we're the fourth-largest single group of our association in North America. Local 30 was formed on November 23, 1896, by 22 tradesmen with a goal to further our expertise in the trade, improve safety and working conditions on the job and in the shops.

Sheet metal working: If you listen to the other trades they'll probably argue this, but we are one of the only handcraft trades in the construction industry. Sheet metal working became an apprenticeable trade in 1937. It was designated with an interprovincial licence in 1958, and finally compulsory certified in Canada's centennial year, 1967.

The tradespeople I represent are professionals in the layout, manufacture, installation and balancing of HVAC systems — heating, ventilating, and air conditioning systems — and the layout, manufacture and installation of stainless steel kitchen, institutional and ornamental equipment and designs. They develop the patterns and manufacture for the installation and restoration of functional and ornamental coping and flashings, using a variety of ferrous and non-ferrous metals, such as the copper roof and facades recently completed on Queen's Park. Sheet metal workers produce and install industrial sidings and decking for construction applications. We service the aircraft industry through the pattern development and manufacture of engine parts for Pratt and Whitney's jet engines. Our members are recognized as the leaders in Canada in the building and installation of industrial ovens, spray booths and the associated systems servicing the automotive industry.

For the roofers, there are regulations before the director of apprenticeship and the Minister of Training and Education for the trade of roofer. OIRCA, the Ontario Industrial Roofing Contractors Association, joined with the Ontario Sheet Metal Workers and Roofers Conference in recognizing the need for training under the current apprenticeship system. These groups have been meeting on a regular basis over the last few years to develop standards and the training curriculum for the roofing trade. Several years ago, these contractor and worker organizations insisted that provisions be made in the provincial collective agreements for apprenticeships under the current system for their industry. They continue to meet and are working towards having the roofer be recognized as a compulsory certified trade under the regulations.

These same construction industry professionals, employee and employer alike, are counting on you and me to advise the minister responsible for apprenticeship training not to step backward in time through Bill 55.

Apprenticeships today: Today we have an apprenticeship system — and you've heard it from others, but I'm going to reiterate it on behalf of the sheet metal workers and the people I represent — that is an asset to construction contractors in bidding on projects in their area of expertise. The current system produces a well-trained and highly skilled labour pool of apprentices and certified tradespeople. The current apprenticeship system provides valuable futures for Ontario's youth. The certified construction trades are a worthwhile alternative for Ontario's

youth who, for a variety of reasons, are not able to attend university or college. The training system we have today provides mobility for the men and women in the trades. The word "journeyman" means those same men and women are trained to a standard that is recognized across industries and geographies.

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I just want to take a minute and stop there. When I talk about "across industries," a sheet metal apprentice who receives the whole apprenticeship training system is capable — for one employer he may be working on the roof, doing some of the ornamental stuff they do, as they did in Queen's Park. These same tradespeople and apprentices could find themselves a month down the road hopefully, when it gets started, working on the Bay-Adelaide Centre. That's the kind of mobility that provides employment. The more skills you have, the more flexible you are in the type of work you can do. But you can only do it if have the complete trade and if the trade is certified.

More and more, women are attracted to the apprenticeship system of today for the certified construction trades. They recognize that the certified construction trades are their ticket out of traditionally limiting or low-paying careers.

In the case of visible minorities, all one has to do is visit a construction site or shop to see that the current apprenticeship system is working quite well for all Ontarians.

Through the current apprenticeship and certification system, the consumer of today is assured that the certified journeyperson has completed all the training necessary to advise, build and install projects and systems that meet their needs. Consumers employing the certified tradespeople are protected, with today's apprenticeship and certification programs, from shoddy work and costly trial and error. The certified journeyperson of today is trained through the current apprenticeship system to evaluate and anticipate time-weighted effects on complete systems and projects.

The current apprenticeship system and certification process provides real returns on investment for Ontario's economy, the construction contractors and Ontario's youth.

The proposed legislation under Bill 55 creates a jack of all trades and master of none. It's a hollow promise to Ontario's youth and will create skill shortages for years to come. Is this what we're looking for Ontario heading into the next millennium?

In the area of health and safety, I've addressed just a few of the items. I hope you appreciate that I only learned on Friday that I was going to be speaking today, so it was a quick endeavour. But I hope you take the time to read it.

Under health and safety, it doesn't take a stretch of imagination to realize that the incidence of workplace accidents and death will rise in direct relation to the number of undersupervised, undertrained apprentices placed in the construction environment under Bill 55.

My recommendation is that we build on our success. The current apprenticeship and certification system is

highly responsive to the needs of the construction industry. The combination of practical, on-the-job training and in-school instruction is an effective method of providing the construction industry with skilled workers. The government of Ontario must continue to support quality in the delivery of apprenticeship training. The overwhelming percentage of apprenticeship training is done in the construction trades. Therefore, any changes must include separate, unique and mandatory provisions for the construction trades.

The top-down, one-size-fits-all approach to apprenticeship training and trade certification alienates the industry stakeholders. A bottom-up approach must be developed that promotes linkages between the stakeholders and provides for meaningful and responsible input to the decisions by government. Such a structure would include employers, educators, labour groups and government representatives to address the relevant needs of the employers and workers. Each trade within the construction industry could advise and recommend criteria for training and certification with their area of expertise through their local joint apprenticeship committee.

More importantly I want to point out that we at local 30 support the model. This model was developed by James Moffat. We support this type of model. It's a bottom-up model that allows the local joint apprenticeship committee to have some say to the bodies that would set the standards, set the criteria, set the curriculum, and certainly develop a funding model to finance all this. Part of that model has to include, and hasn't so far, the enforcement needed to ensure that the time invested by our apprentices is not wasted.

I'll hand it over to Jimmy at this time.

Mr James Moffat: Mr Chairman and committee members, it's nice to see everybody here again today. I just want to spend a couple of minutes re-emphasizing some of the things I said yesterday with respect to the government's position on this bill. I want to reiterate that industry collectively, management and labour, has continuously told the government that they're heading in the wrong direction with this piece of legislation. I would urge the government once again to delay the passage of this bill and allow the stakeholders with government and the bureaucrats, to get back to the drawing board. I firmly don't believe this bill can be saved through amendments. I believe there has to be, as Joe said earlier, a bottom-up approach.

I want to leave with you, and I didn't read it in the record yesterday, some of the recommendations that have to happen. Hopefully, if the passage of this bill is delayed, we can get back to the drawing board again. I'd like to read them into the record.

The purpose clause should include training, worker safety, environmental and consumer protection.

Definitions under the act should include apprentice — existing language; workplace-based training; certified trade; compulsory certification; employer; industry committees, local apprenticeship committees.

Existing compulsory trades must remain intact.

Remove any references to skill sets and restricted skill sets.

Replace the term "sponsor" with "employer."

Minimum standards, ratios, wage schedules and entry levels should be included in the legislation with enforcement mechanisms. There has been some discussion with regard to that. The PACS, if they're mandated with some sort of empowerment or authority, could deal with those issues.

The trades-specific industry committees must have a role that is not simply advisory. They should be empowered to do the following:

(a) determine compulsory designation based on criteria set in legislation,

(b) determine and approve training delivery agents,

(c) develop training curriculum, trade exams and standards,

(d) implement and administer the trade-specific regulations;

(e) issue letters of permission for provincial certificates.

Joe touched briefly on the enforcement. The government has to commit themselves, specifically in the construction industry, on the proper enforcement of these wage rates raises, and in particular, the compulsory certification because there's a lack of that right now, with an increase in substantial fines and violations.

The last recommendation is that adequate funding for in-school training must continue to be provided by the province of Ontario.

With that, Mr Chairman, if anyone has any questions for myself or Joe.

The Chair: I encourage each caucus member to be brief, starting with the NDP caucus.

Mr Blain Morin: Thank you. This morning we heard from the government PA that the roofers' association or the roofers' union — and I know my friend Mr Gilchrist will correct me if I'm wrong in deciphering the government's interpretation — were looking for lower standards when it came to lower educational requirements. Your feeling on that?

Mr McPhail: The roofing from local 30's perspective, and I understand what you're asking here — we've looked at our roofing members and there is a conflict in that a lot of the roofing members are new immigrants. To expect immigrants to be able to accomplish the standards that we've had here is not fair to them. Initially, what they're trying to do is say, "We have to encompass those who are already in the industry, bring them in with the education they have." I don't mean to suggest that they're not educated, but they're educated under a system that doesn't quite conform with what we have here in Ontario. What we've got to do is bring them in and bring the standards up from that point. I think that's the perspective we're looking at.

1420

Mr Gilchrist: Good to see you again. I appreciate Mr Morin being my set-up man. It seems to me that we've got a lot of other issues and we'd be pleased to touch on any

one of them, and we certainly have outside of the hearings, but let's talk about that one issue. Mr Morin has clearly indicated the need for greater flexibility than the current act provides. It really does seem to speak to the whole issue of why putting an artificial barrier, in this case, to an industry being able to reflect true demographics of its workforce has not necessarily been the best way to go. Some trades may get away with that in terms of the people they hope to serve through their apprenticeships.

By the same token, we've heard from electricians and electronics, now, specialists who have said that you may in the future need a community college degree. Would you at least agree with me that to that extent the current act does not serve industry well, because every time you come up with a new requirement the minister has to go back in and change the regulation? Wouldn't we be better off having a system where industry can continue to reflect those changes themselves?

Mr Moffat: Steve, as you know, we tried to address this issue yesterday in Windsor, and our employer in the roofing association didn't tell you the whole story. The roofer regulations — first of all, the roofing trade is not a voluntary recognized trade in the province of Ontario. The regulations are still before cabinet; they've been before cabinet for two years. The provincial agreements reflect an apprenticeship training program that's been in place for the last two or three years. We're trying to encompass the existing workforce with new entries.

The mission statement that was developed out of this was that, rather than simply put these workers aside, we would have to encompass the existing workforce in the roofing industry, because there are a lot of Portuguese-speaking people, and we were going to encourage that the level of grade 10 accommodate that. The level of grade 10 would be the basis for entry level down the road.

As I explained, because of the situation we have now, we're trying to develop a new voluntary recognized trade. That's not to say that we're telling everybody that there should not be a minimum grade 10 education, at least, in the standards. It's not to say that.

Mr Gilchrist: OK. I wanted to get more at the flexibility, Jim. That's all.

Mr McPhail: It's key that you understand that this was an industry decision.

Mr Gilchrist: I accept that. I was merely trying to get at the need for flexibility within each of these industries.

Mr Caplan: Thank you, Mr McPhail and Mr Moffat, for your presentation. I understand that this piece of legislation will require significant amendments unless, of course, it's withdrawn. I'm going to be proposing an amendment which will give a stronger role to the provincial advisory councils, which will formalize it in legislation and give some enforcement capability to that particular association of employee and employer groups. I take it from your presentation that you're supportive of that kind of a notion.

Mr McPhail: I would support that approach, yes.

Mr Caplan: It hasn't surfaced at this point, but in subsection 4(2) of the bill, it talks about the composition of

the committees. It's really the minister's discretion to appoint both particular parties to the provincial advisory council. I'm wondering if there's any concern on your part that a minister, or any particular government, it could be of any stripe or persuasion, might want to treat this like any other board or commission and use it as a place to put some particular supporters on. It would not be truly industry-driven. I don't think that would serve well the particular sector or industry or area where that would happen. Is there anything you think we could to strengthen and make sure that it is truly an industry-driven committee that's going to be directing what happens in that sector?

Mr Moffat: Yes. Under the current system, the minister has that authority to appoint industry reps. Quite frankly, over the years, no matter what government, those industry reps have been equal numbers of employers and employees from all sectors including the non-union and union sector. However, you make a very good point, David. With respect to that, I think that the industry committees, the existing committees anyhow, that are sitting right now, should have some input on who sits on that committee. The trades-specific industry committee should be reflective of the industry whether it be non-union or union in Ontario.

The Chair: Thank you very much. We've vastly exceeded our time; nonetheless, it was an excellent presentation. Thank you very much.

OPERATING ENGINEERS TRAINING INSTITUTE OF ONTARIO

The Chair: At this time we would call to the next delegation, the Operating Engineers Training Institute of Ontario. There's a little preamble. Thank you for the lovely binder. Please come forward. Good afternoon, gentlemen; pleasure to have you here.

Mr Michael Quinn: Thank you very much. My name is Michael Quinn. I'm the chairperson of the Operating Engineers Training Institute of Ontario, which we feel is the best crane training institute in the world.

Mr Ron Martin: My name is Ron Martin. I'm the executive director of the Sudbury Construction Association.

Mr Quinn: By way of background, the Operating Engineers Training Institute was established in 1982. It is a non-profit organization. This institute is governed by a joint board of labour and management trustees who represent an industry with over 500 employers and 8,500 employees.

The 30 Ontario employer construction associations listed on pages 1 and 2 have participating members in the OETIO. Those with asterisks sit on the board of directors.

In addition, there is an extensive number of independent associations and contractors as well as industrial and non-industrial units which support OETIO.

You have or will be receiving briefs and presentations on Bill 55 from the following very prestigious organizations in the construction industry.

The Construction Safety Association of Ontario: We ask you to pay particular attention to pages 4, 5, 6 and 10.

These pages directly relate to the trade of hoisting engineer. Particularly, on page 10, the young crane operator from the Soo who attempted to use a crane larger than the one he was trained to operate; tragically, he was killed.

The Provincial Building and Construction Trades Council of Ontario.

The Ontario Construction Secretariat, particularly page 4. Their excellent brief demonstrates what good training is all about.

The Provincial Advisory Committee for the Trade of Hoisting Engineer: Please direct your attention to the job training standards and off-the-job learning outcomes as they pertain to the trade of hoisting engineer. This will illustrate to you without any doubt that the proposal for skill sets will not work in this trade.

We certainly support the briefs and coroners' inquests and would like to add a few additional points without adding duplication to their presentations.

History of our success story: I believe it is appropriate and important that while in Sudbury you understand in the trade of hoisting engineer what I believe brought about the tremendous advancement in crane training. This originated in Sudbury on Friday, February 15, 1980, at approximately 1:34 pm, with the untimely death of Mr. L'Heureux. The cause of death, as quoted from the coroner's report, was "massive internal injuries brought about by a crane boom which fell on the dead man's head."

We have in the room at the present time members of Mr. Lucien L'Heureux's family who are devastated to hear that our government may be stepping back 18 years of outstanding progress in making sure that when workers go to work they may be able to return home to their families.

The coroner's inquest came up with five recommendations, with the first one being "more training on equipment before licences issued, government training should be mandatory." A copy of that inquest is enclosed in your binder as appendix 1.

Shortly after this inquest, training and certification was made mandatory along with a new hoisting engineers licensing system. You are going to hear in many briefs the results of this tremendous decision by the government of the day in 1981 or 1982. It meant that crane fatalities in Ontario dropped by 74%, while the volume of work in this province went up by 40%. That's what good training does.

History repeats itself: I would also like to bring to your attention a more recent inquest which was in the Commercial News on November 9, 1998. The highlight reads "Boomtruck Operator Needs More Training, Jury Suggests." A copy of the article is enclosed in your binder as appendix 2. This is the case of a 20-year-old boomtruck operator by the name of Jason Maille who was electrocuted by 8,000 volts which, normally speaking, is very low voltage compared to where a lot of crane operators work.

However, the coroner, Dr Michael Mitchell-Gill, had the following to say: First, "The power was so intense that the concrete underneath the boomtruck was bubbling";

and second, "This seems to be a fairly common disaster which continues to occur on a regular basis."

Two of the five recommendations made were as follows — a copy of the inquest is enclosed as appendix 3 — first, mandatory training requirements for all boomtruck operators with more intensive training than is presently available; second, mandatory recertification every two years.

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I bring your attention to the inquest findings on Mr. Dale Maki. Please find enclosed the inquest recommendations as appendix 4. Mr. Maki was killed operating a crane on June 15, 1994, when he hit a 7,200-volt hydro line. Mr. Maki did not have a hoisting engineers certificate. There were five excellent recommendations from this inquest and two of them are as follows:

First, operators of boomtrucks should have licensed employee training with annual recertification included in training electrical detection techniques and electrical awareness, ie, safe distances from high voltage wires; second, construction and industrial regulations should fall under the same guidelines.

We concur with that recommendation. That is why these particular small cranes are known in the industry as "widow-makers." For the record, we understand that Mr. Maille and Mr. Maki did not have hoisting tickets and no formal training to be crane operators.

I may lose some time here. I'd like to tell you about the accident and at the end I'll bring it to you. These were relatively small general contractors. On October 5, 1980, and I'll supply that documentation within the time limits, there was a fatality. The gentleman's name was Mr. George Legros, and he fell over the Ralston dam in, I believe, a 65-tonne crane. He tried to get out of the crane on the way down. The crane weighed approximately 50 tonnes and it landed on him. We don't have too much information I can give you in English on this inquest because unfortunately the body landed in Quebec. Ladies and gentlemen, this operator was working for the biggest contractor in North America at the time by the name of Ontario Hydro.

Construction versus industrial and mining: Interestingly enough, getting back to the original inquest we spoke about regarding the late Mr L'Heureux, you may not be aware, but I believe you should be, that it is only in the construction industry, by law, that a crane operator is required to have a hoisting engineers certificate, 339A or 339B. In fact, the original company where Mr L'Heureux met his untimely death still employs three crane operators, none of whom have a hoisting ticket, although on their particular job they are competent operators from years of experience. However, it makes it very difficult for an employer to hire new employees when they do not have a standard as a guide.

Mr Martin: I'd like to give you some progress on positive points. However, before we start with our recommendations I believe it is quite important that you become aware of some of the exceptional, positive developments in the last 20 months in the trade of hoisting engineer.

First, the trade of hoisting engineer went approximately 14 years without having a PAC meeting. This committee has now been reinstated under the guidance of a very hard-working coordinator from the ministry by the name of Piero Cherubini.

Second, the Ontario government has now put in place the best mobile crane curriculum, 339A, in the world and is presently working on the development of the tower crane 339B curriculum to meet likewise standards. The tower cranes are those cranes that are so prominent in the skylines of southern and eastern Ontario.

Third, the Ontario government, we believe, will also support the OETIO in developing what we believe will be the first virtual reality crane training simulator in the world. We know we have their moral support. By means of simulator training we hope that we will be better able to select potential apprentices who will meet the high demands of crane operators. As well, it will be a valuable asset in training new operators and upgrading our presently licensed operators.

At the OETIO we know that the hoisting engineer of the future will become even more specialized as technology forges ahead. We also know that the hoisting engineer apprenticeship program has been a huge success. To confirm this, we can look at the interprovincial red seal licence where other provinces see Ontario as the leader in this field. As well, our neighbours in the United States have had some disastrous crane accidents and are now moving to the national crane licences, which will be compulsory. Once again, they have our system in Ontario as a model of what they would like to implement.

What should the future hold? In order for Canada, indeed Ontario, to remain the "province of opportunity," productivity and safety will be the key words. Equipment, including our cranes, will be faster, bigger and better. When through innovation, education, training or capital investment, people are able to produce more goods and services for an hour's labour than they did before, they can work less and still make their fellow citizens better off.

What should scare us is not productivity, good trades and safety training but weakness. In a major report last month, the Conference Board of Canada became the latest in a long line of economic and political observers pointing out that productivity underpins a country's ability to build and sustain a high quality of life. It is those industries and countries that keep building their productivity that have the highest income and employment over time.

I want to assure you that the OETIO is training the safest and most productive crane operators in the world. We are ensuring that the proper training of an apprentice at the beginning of his career will result in reduced lost-time accidents on the job, and costs will be reduced as the worker upgrades his training. It is a long-term investment in competitiveness of workers and employers. Our employers can go anywhere in the world and competitively compete because of the skill of their management and skilled tradespeople.

Ontario's apprenticeship system ensures that health and safety are built in up front. The in-school training and on-the-job training guarantees that apprentices are prepared for the workplace. In any reform of Ontario's apprenticeship system, these fundamentals must remain.

The move towards certification of restricted skill sets over trades certification gives us a great concern for the health and safety and productivity of our industry. We have been very fortunate in Ontario to have organizations like the CSAO and good government regulations that have given us compulsory certification and better training. It has kept Ontario as a province of opportunity, while throughout North America we have an outstanding safety record.

The only way that this will be maintained and improved upon will be through more and better trades-specific training both by the trades and by such organizations as the CSAO for safety training.

We want to let you know that the Operating Engineers Training Institute of Ontario wants to be a partner with the government. We want to continue to ensure that we can maintain the strength of this great nation by having, as we have said so many times in our brief, the best-trained certified tradespeople in North America who have as a basis the knowledge and skills to work safely in a productive manner.

As a training institute that plays a pertinent role in the economy of Ontario, we are concerned that during the five-year period from 1997 until 2002, 42% of the 210,000 tradespeople aged 45 to 64 will leave the labour force. The breakdown provided in table 3 — the copy is enclosed as appendix 5 — shows that motive power and construction will account for almost 62% of all attrition, over 87,000.

In closing, we respectfully submit the following summary of recommendations:

(1) Certified trades be maintained in Ontario and be defined in Bill 55.

(2) Restricted skill sets not be certified as separate from a certified trade.

(3) Enforcement of all provisions in the act be strengthened and that all the stakeholders in the industry be involved.

(4) The legislation state that the minister "shall" establish industry committees.

(5) The industry committees be elevated from their advisory role and be given an empowered role to administer the certification of their trades.

(6) The value, to occupational and public health safety, of complete training in a trade be reflected with the purpose clause in Bill 55 and throughout the provisions of the legislation and regulations.

(7) Workplace-based training be defined under the act as training that occurs within an employer-employee contractual relationship.

On behalf of the Operating Engineers Training Institute, I would like to thank you all for listening attentively to our presentation. I hope you will agree that in order to keep our province prosperous and safe for its workers, it is

your responsibility to make sure the bill does not pass in its present form. Because of the time constraints we had in preparing this document, I humbly request that we be allowed until the time limits in order to furnish you with an additional case as to why we are asking you to revise this bill, which, I assume, Michael, you have.

Mr Quinn will be happy to answer any questions that you have.

1440

The Chair: Thank you very much for an informative presentation. We move to questions, and the Liberal caucus.

Mr Caplan: Mr Quinn and Mr Martin, thank you for your presentation.

Bill 55 allows for anybody to set up a training operation for the trades and the intention is to allow people to progress at their own rate. You have a particular operation which is second to none in the world. If somebody came along and said, "Listen, I can train you to be a crane operator; it'll take less time than those guys; it might even cost a little bit less than those guys and you'd be out and working," what kind of impact do you think it would have not only on your training centre but on the industry in general, on the safety that would be within the industry, the safety of workers, the safety of co-workers and the safety of the public?

Mr Quinn: First off, it would be very scary. We would probably welcome it if somebody could do the training more cheaply; it's very costly for us. Every one of our apprentices, besides 42 cents an hour, approximately, coming out of his wages, has \$1 an hour we just have to deduct out of them, on top of what they normally contribute through the employer contributions. So it's very expensive to train as a crane operator.

More important, what you may not realize is that's a very small segment of our membership. It represents probably less than 10%; the rest are totally unregulated. Yes, on almost every street corner in Sudbury, there's a training institute putting on training. It's a problem. Once you do not have a good curriculum and good ways of checking out what this training is all about, it's unfortunate. In a lot of cases, the Canadian government and the Ontario government have spent fortunes. What they've got back in return is quite embarrassing as a taxpayer.

Mr Lessard: Your brief really speaks to the importance of training in situations that can result in the death of workers. Operating a crane sounds like a very dangerous activity. I don't think I'd want to be doing it unless I were well trained and well prepared to do the job.

One of the things we're concerned about is the mobility of people who have training. You've mentioned the inter-provincial red seal licence where other provinces have looked to the training that you've been doing as an example. If Bill 55 were to be passed in the form it is in now, what do you think may happen to this inter-provincial red seal licence program?

Mr Quinn: There are other training organizations than local 793's and the Operating Engineers Training Institute. I believe our members probably wouldn't have a

major problem, because as long as they go to our institute, they're in demand around the world. The scary thing about this is, last March, I forget what it's called, the Canadian something, where people come in, particularly educators, from all over this great nation — and one thing that comes through loud and clear is that we have to have mobility in this great country. We're trying to standardize all trades so that if there's lack of work in one part of this great nation, we can move someplace else. This is what I find so devastating that I see taking place in Ontario: that we're going to lose that.

The rest of Canada looks up to Ontario as the "system." We are the province of opportunity, not because we have a lot of people. If people are going to invest in this country they want tradespeople. Unfortunately, if you look at my statistics, ladies and gentlemen, we're going to lose 42% of the workers in this province. No one is going to invest in a province when it does not have skilled tradespeople. It doesn't happen. It's as simple as that.

Mr Gilchrist: Thank you both. Not to slight any of the other presentations, I think you have provided a dramatic example of precisely why no government would allow a weakening of the safety standards. Take it as a given. I would be the first to agree that when bills, particularly at second reading stage, come forward, they often don't capture all of the language that any one of us in this room would want to see there. That's the whole point of the hearings. I have no doubts in my mind that, not just in the bill but in the regulations as well, we'll guarantee as high a standard, if not a higher standard, as we move forward. I want you to leave here believing that, because I'm sure I speak on behalf of all my colleagues: no responsible MPP would do otherwise.

But you do raise some specific proposals in there, and I appreciate that as well. The more detailed representation, the easier for us to deal with them. You talk about the need to establish industry committees. We've also heard representation from people who say the PACs should be empowered with certain abilities to set ratios and everything else, and then others who talk about sectoral groups. Do you have any position on where the different responsibilities should lie, if in fact that was a direction the bill, with regulations, took?

Mr Quinn: Regarding the PAC committees?

Mr Gilchrist: Industry-wide. Who should set things like ratios? Who should be responsible for the health and safety and all the other components of training programs? Should that be done on an industry planning basis to identify long-term trends, or should it be done more just focused on it by trade?

Mr Quinn: I personally believe that for the good of this nation we have to have provincial standards. I don't want to look at my trade as one thing and say, "My people hopefully are going to go to work and come home at night." We have to have provincial standards: provincial standards for safety and provincial standards for skills.

A tremendous weakness about the PACs is that, as I said, we went 14 years and never had a meeting. We've just had our fourth or fifth meeting, or the fifth one is

coming up. We've had tremendous success, you know. However, I have to tell you something. We hurt very bad for a long time when we didn't have them. As far as the PACs and telling you what they can do, I'm a bronc on the street when it comes to that. You should have asked that of some of the tradesmen around.

Mr Gilchrist: We have been. However, you bring an interesting perspective.

Mr Quinn: However, I can tell you that from what I see of our PAC, if the recommendations were instituted by the minister, there would be a lot more productivity in the trade of operating engineer. When you talk about numbers, I have to tell you something. We don't have that ratio thing you're talking about. We put don't put an apprentice out unless the crane is bigger than 50 tonnes. And the unfortunate thing about it, ladies and gentlemen, when the crane operator now becomes a crane operator, they don't put him on a 50-tonne crane, he goes back and starts with the small ones that he's had no experience on. That's where the PACs will say, "Gentlemen, we've got to do something about this, or ladies we've got to do something about this." That's where I see this tremendous thing coming about because other than that, we just can't get apprentices trained. It's as simple as that.

The Chair: Thank you very much for a very excellent presentation this afternoon.

POURED-IN-PLACE CONCRETE
DEVELOPMENT COUNCIL

INTERIOR SYSTEMS CONTRACTORS
ASSOCIATION OF ONTARIO

The Chair: Thank you very much for joining us this afternoon, gentlemen. Please give your names for the members as well as for the Hansard record.

Mr Hugh Laird: Thank you very much, Mr Chairman. My name is Hugh Laird. I'm executive director of the Interior Systems Contractors Association. I'm also training director of the training centre which trains carpenters and painters for the drywall industry. With me is Dan McCarthy, who is the Canadian director of research and special programs for the United Brotherhood of Carpenters and Joiners.

Mr Daniel McCarthy: Thank you very much for this opportunity to speak to the committee on this most important issue. We are here to speak on behalf of not only labour and management involved with the training sector but also a long list of unions, as you'll notice in both the drywall and the poured-in-place concrete sector.

We have had the advantage of listening to earlier presentations today and reading some of the presentations that have been put before you in Toronto and Windsor. We do not want to repeat a lot of the arguments that you have heard from the various associations and trades. Let us merely say that you've heard from them and that we're endorsing them.

1450

We would like to make it clear that we're not of the school that if it ain't broke, don't fix it. But on the other hand, we're equally uncomfortable with the notion of change for the sake of change. It would seem to me that change should be constructive, it should be thoughtful and it should be truly consultative. We hope that change would recognize that apprenticeship applies to diverse careers with different requirements and that it applies to the entire province, not just the GTA and other large urban centres.

I can tell you that for construction, employment patterns are radically different, depending on the size of the market area, and that has direct implications on skills and skill levels and certifications and mobility. I trust that despite the somewhat draconian deeming provisions I read in the time allocation, when it comes time to do the clause-by-clause reading you will have listened, that you will act on what you have heard and the right thing will be done for the current workers and future apprentices of this province.

Today we want to focus on the bottom line. Before you are two very similar analyses done by an economist, Dr Rick Loretto. One focuses on drywall and one focuses on the poured-in-place concrete. You will notice that they are very similar. They provide a detailed three-part analysis of the current funding model; they do an impact analysis of the funding changes proposed in Bill 55; and then they look at a demand analysis for construction in the current and forthcoming market.

In terms of the current funding model, Dr Loretto looks at three things: provincial investment in post-secondary centres of learning — that would be college, universities and industry-based training centres; subsidies and the subsidies per student; and the percentage of tuitions paid by students in college and university versus the apprentice. If I could have you look at page 4 in Tuition for Life, there's a series of conclusions. I don't want to go through all the details of the analysis, but provincial subsidization of the two systems varies dramatically. The Ministry of Education and Training bears 5.4% of the total apprenticeship cost burden compared to 50% to 71% on behalf of colleges and universities. The variation is also evident on a per capita basis. For example, in 1996 per capita spending on apprenticeship programs was a mere \$833, while that for college and university programs was between \$4,000 and \$7,000.

Contrary to government assumptions, apprentices in the unionized construction industry do contribute substantially to their own learning. I refer you to page 5 in the Poured-in-Place presentation, where there's a nice little per diem where they show a different student in a different type of institution. You will note that the funding rate for a university student is roughly \$47.50, a college student is \$31.90, and an apprentice is \$5.55. If you look at the paragraph below, when you look at other provincial sponsorship given to the other two bodies, it's as low as \$3.33. I think the figures speak for themselves; they're quite dramatic.

The second part of these presentations looks at an impact analysis of the financial proposals in Bill 55. There is one proposal, the transition tax credit, which is positive, although limited. The remainder is essentially a downloading of costs on to the industry, which is especially negative for industry-driven centres.

I would conclude that there is a golden goose out there that's laying a great golden egg for training and Bill 55 is trying to strangle it. When you look at the demand analysis, construction is growing at approximately three times its projected rate currently. I'm sure Hugh could tell you that in drywall alone, there are signs up — and I've seen them personally from Newfoundland to Victoria — trying to bring drywallers into this market. We just cannot produce fast enough.

The conclusion that is drawn on these changes with regard to this need and the downloading of costs is that this is not only the wrong direction; it's the wrong direction at the wrong time.

So what is the message? It seems to me that the message is that there's a tremendous amount of leverage for government investment when it comes to apprentices and the trades. Between subsidies of wages, because you've got a less productive worker; the time it takes a journeyman in the field to properly monitor and supervise and instruct an apprentice in the field; and when you look at the fact that for their entire lives in the unionized sector, they are paying a tuition, not just the four years or five years it takes to become a journeyman, but they continue to make those deductions — and yes, sometimes they get skills upgrading, but much of it is paying back to the next generation of apprentices.

I think the message is clear, that we have to look at the bottom line. When I read through various of the other proposals, I don't think we've spent enough time truly appreciating not only the costs but also the investment by industry, private investment and the investment of the individual apprentices themselves while apprentices and throughout their entire career.

I would be very open to questions. Although we've tried to hit one area, the area of the bottom line, we're certainly open to questions in other areas.

The Chair: Thank you for your presentation. You've brought some very interesting information to the hearings. We'll start with the NDP caucus for questions.

Mr Lessard: Thank you very much for your presentation. I'm wondering what impact Bill 55 is going to have on the funding mechanism that you have in place now for apprenticeship training.

Mr Laird: Currently, even though Bill 55 doesn't specifically refer to tuition, we know it's happening. The user fees are not spelled out in Bill 55, but that's already in place and we're paying them right now.

For the drywall industry and for the concrete industry, we have a problem recruiting. We've hired consultants. We have to triple our intake of apprentices. We can't get them. As Dan said earlier, we've got ads all across Canada and all across the States to bring these people in. Historically, this is a downside in the drywall industry, but

particularly in the GTA, where we have such a massive housing boom that we cannot supply.

If tuition comes in, if we can't get people now, why would they come? They're not coming now, and if we make it harder for them to take an apprenticeship, they just won't come. I've talked to several MPPs, including the minister, on this issue, and everyone I've talked to is just unaware of this. What you're trying to do with Bill 55 may work in a manufacturing setting, an industrial setting, but in construction it's a multi-employer situation. An apprentice could work for employer A in Oshawa one day and employer B in Sudbury the next day; we're provincial in scope. He doesn't work for the one employer. If you're going to charge money to educate him, he's going to have to spend his whole apprenticeship with that one employer. The employer can see the results.

In construction, presently we pay 20 cents an hour for every hour he works from his first day on the job until the day he retires at 65. You're still paying him 20 cents. That's the point that we're trying to get across to the government, that the apprentices do pay and they pay a lot higher than someone going to university and college.

Mr Gilchrist: Thank you, gentlemen. I appreciate your making this presentation. I appreciate also the fact that you pointed out that it's actually not embodied in Bill 55, but so what. It's still a subject we should be talking about and I appreciate your raising it here.

You're no doubt aware that most other provinces do have a tuition fee for their apprentices right now. Also, I appreciate your noting in your brief the federal cutbacks, that they're paying only 9.6% of the training cost, and of course, as we know, they've announced their intention to exit that completely on June 30 of next year. Part of the issues obviously flow from that. The fact that they've taken what was actually the greatest share of funding — across Canada, the federal government has traditionally been responsible for training issues. They've signed deals with nine other provinces. They're not doing anything with Ontario.

1500

I'm just curious to know what representations you've made to ensure that those dollars are not taken from the taxpayers of Ontario to go and buy votes in other parts of Canada and are continued to flow as of June 30, for one very simple reason. The minister has stated unequivocally that one follows the other. Unless there's a deal signed with the federal government, there is no tuition. What steps are you taking or would you encourage us to take to assist you hopefully to get the feds to agree?

Mr McCarthy: I think that's a rather interesting question because yesterday at this time I was sitting in front of the finance committee —

Mr Gilchrist: Perfect.

Mr McCarthy: — the standing committee on finance and I was making a very strong pitch on behalf of the training trust funds, talking to the federal government that they should quit devolving responsibility without the accompanying dollars.

I also made it quite clear that the same economic lesson that I'm trying to give today I gave to them yesterday. It's not as if we're here just pointing fingers. We understand that there are two people who are trying to cut on the 15%. We're trying to tell parties: "Look, where else do you get leverage of five to one? Let's not ruin a system that is largely paid for by employers and employees." We are very active on that front.

The interesting thing that you talk about, though, when you talk about other provinces — as you know, the merit shop is very strong now in Alberta. They have put out a video to attract young people into the trades. It cost about \$500,000 to make it. It's very slick. They got money from the federal government and the provincial government. It's ironic that this very organization that shot at the unions for years has a very slick video and the whole purpose of the video is traditional apprenticeship, four-year. It's very nice; I'll send you a copy if you want to get one.

They're not talking about the courses that are now offered at the Northern Alberta Institute of Technology and the southern Alberta, NAIT and SAIT, which now have an eight-week course in drywall. It would cost \$1,200 tuition. You spend four weeks in the classroom and four weeks working on a site at minimum wage. Theoretically, you're a drywaller at the end of it. They have a 12-week in-training. Here we've got the vociferously anti-union merit shop which has now agreed that the real apprenticeship system should be the three- and four- and five-year programs as we know them and they're promoting them.

The one thing I like about this bill — I'm not here to say that yes, we've got an average age in Canada of 28. We want to lower that. The school-to-work transition is important. As a matter of fact I know that for one of our locals, 27, in Toronto, we're in the process of signing two agreements with school boards in the GTA. Yes, we would like to see it lower; yes, we would like to overcome the perception that second-class citizens go to the trades.

But it also raises the issues that you raised earlier of setting up a position where it seems that it's either grade 12 or prior learning assessment. I suggest to you that it's not an either-or, that there are instances where PLA makes sense, certainly not only in the case of new immigrants but people who are grandparent in the industry. But when you look at the school-to-work transition and when you look at even what the merit shop is doing with the school-to-work transition in Alberta, what they are saying is they have to get the high school diploma. If they don't get it, they don't get their credit for first-year apprenticeship at the end of the school-to-work transition.

I know in carpentry we're dealing with computers. Blueprints are currently still on paper but they're not going to be there for long. The operating engineers just left here. I've seen a study where they're trying to put a global positioning switch on the front of a bulldozer. The level will be set via satellite. No one will be out there hammering sticks in. They'll just go for miles.

The Chair: Very good. This is very informative. I would call on the Liberal caucus to conclude.

Mr Caplan: I'd like to thank you for your presentation. I certainly want to correct the record from the last questioner. Ontario is the only province which has not been able to sign an agreement. Every other province in Canada has been able to. In fact, most provinces do not charge tuition for apprenticeship, as was stated. New Brunswick and Alberta are the only two.

Mr Gilchrist: It's not what I said.

Mr Caplan: Not only are you wrong, you're rude as well, sir. Let me continue. In my opinion, I must admit what we really need is a government which will negotiate in good faith what every other province has been able to do. We unfortunately don't have that luxury at the moment.

My question to you is around the whole tuition end because that's what you talked about in your brief. It's clearly not understood by the Minister of Education that apprentices are paying tuition, that they are contributing to the cost of the training that they received, their upgrading, their reskilling, plus the training that new apprentices and new people entering the trades are receiving. The combination of lowering wages will make it more difficult to contribute, along with the imposition of tuition. I'm incredibly concerned that training centres and training trust funds are all of a sudden going to see their monies dry out. This is the concern I think that you were talking about.

You talked about tax credits as one small step but I was wondering what kind of other suggestions you might have so that a provincial government could support an already existing infrastructure that works very well.

Mr McCarthy: Actually, it's interesting that you couple the two comments, the comments with tuition and the comments with an agreement that is being signed. It would seem to me that what would be very useful would be the earmarking of funds.

Here we have an industry in construction and virtually every union has a training trust fund operation and every union member in construction is paying cents per hour towards education, towards their training. That should qualify for some kind of special recognition and may even be a good bargaining chip in terms of signing an agreement with the federal government so that they know they have insurance that money that is earmarked, whether it comes out of EI or CRF — that's somewhat blurred these days — wherever it comes out of federally that it's earmarked for those people who are invested; for example, skills, loans and grants. I don't think an apprentice who's going to pay tuition for life in construction should get anything but a grant. Why should they be forced to take a loan when they're paying tuition for life?

Mr Caplan: So instead of putting it towards, say, a workfare project, it should go into an actual training program.

Mr Gilchrist: On a point of order, Chair: I just want the record to show that Manitoba is \$200; Nova Scotia is \$200; New Brunswick is \$200; Newfoundland is \$25 per week; Alberta is \$300. That's five out of nine, which would be a majority of the other provinces.

The Chair: That's a clarification. Thank you very much for that.

Mr Caplan: I don't know where the member gets his information.

The Chair: You can resolve that out of here. We want to hear from the public today.

1510

INTERNATIONAL BROTHERHOOD
OF PAINTERS AND ALLIED TRADES,
LOCAL 1904

The Chair: At this time I would call the International Brotherhood of Painters and Allied Trades, local 1904. Good afternoon, gentlemen. Would you start your session by introducing yourselves for the record and for the members.

Mr Michael McKerral: Good afternoon. My name is Michael McKerral. I'm with the International Brotherhood of Painters and Allied Trades, the business representative for this area.

Mr John Maceroni: I'm John Maceroni, administrator and training director of the International Brotherhood of Painters and Allied Trades training centre in Markham, in Thunder Bay and also in Windsor.

Mr McKerral: Sudbury local 1904 encompasses approximately 24,000 square kilometres. It goes from Parry Sound, north to the 49th parallel, east to the Quebec border and west to Sault Ste Marie, Canada.

Accompanying me today in the back are some of our members of local 1904, apprentices as well as qualified journeymen. I should also mention at this time that I have been a representative for this local for only the past seven months, but I've been involved in the painting trade for 17 years. I presently hold both provincial and interprovincial licences, painter and decorator commercial and residential, and painter and decorator industrial.

At this time I'd like to express our views on the proposed Bill 55. Upon conclusion, I would be pleased to answer any of your questions.

The Ontario government's Bill 55 proposes to repeal the current Trades Qualification and Apprenticeship Act and replace it with the new Apprenticeship and Certification Act, 1998. This subtle name change in itself reflects some of the problems associated with Bill 55 where, by excluding the words "trades qualification" from the original text, the true sense of what it means to be an apprentice is somewhat lost. Webster's dictionary defines an apprentice as "a person being taught a craft or trade." Bill 55, however, defines an apprentice as an individual who "is to receive workplace-based training in an occupation or skill set." The word "trade" is not found in this definition. In fact, the word "trade" only appears once in Bill 55, as part of the definition of "occupation."

Bill 55 appears to be removing an essential component from the construction industry, that being the practice of skilled tradespeople conveying their knowledge and experience on to apprentices, ensuring that they properly learn

all aspects of their specific trade. This includes not only the learning of trades but also important elements such as health and safety considerations. By focusing on learning skill sets and moving away from trade qualification, Bill 55 risks flooding the construction marketplace with individuals who have limited skill set knowledge without fully appreciating all aspects of a particular trade.

Limited skill set knowledge means limited job prospects, inefficient and improper trade performance, and the increased potential for work-related injuries. Construction industry workers must often utilize complicated tools, machinery, equipment, and electrical and high-pressure systems. The knowledge to properly and safely use and apply these sophisticated systems is something which has been gained through years of experience by the stakeholders in the construction industry, that is, the trained individuals working in their respective trades.

Training is something they have been doing for years, and it should not be transferred to agencies that will focus on general and unspecified skill sets. Such an approach may lead individuals with limited skill sets to advertise as, for example, plumbers or electricians. A consumer who hires such workers would unknowingly assume that such individuals are fully competent in all aspects of the trade and may risk the occurrence of property damage or serious injury to the worker, consumer or consumer's family members. We in Ontario cannot afford to take such risks.

Apart from such risks, Bill 55 also risks destabilizing the construction industry as we have come to know it. The construction industry in Ontario has evolved around the concept of various construction trades. Contractors bid for work based on specific trades, not skill sets. Bill 55 proposes a radical departure away from the trade model, which can only have a destabilizing effect on the best interests of builders, contractors, construction workers and consumers alike.

Another aspect of Bill 55 which requires comment is the fact that it proposes to change the traditional employment relationship that has always existed between the apprentice and his employer. Bill 55 proposes to introduce a sponsor into the relationship. As such, there will be no employer-employee relationship, with the result being that provisions of the Industrial Standards Act may no longer apply. This act protects basic work standards such as minimum wages and conditions of work. As such, apprentices may find themselves working for wages which are much lower than they have always received, or possibly no wages at all. Not only is this extremely unfair for apprentices, it will undoubtedly discourage some individuals from pursuing a rewarding career in the construction industry.

Furthermore, it is suspected that one of the reasons for removing the traditional employer-employee relationship from the apprenticeship system is to open the apprenticeship program to workfare recipients. The potential risks of forcing individuals to enter construction industry apprenticeship programs against their wishes should be apparent to us all. The risks regarding health and safety issues alone should be obvious. Construction industry appren-

tices should be welcomed into the trade based on industry needs and the apprentice's own desire and drive to become a fully trained tradesperson.

Another important aspect of the apprenticeship system which Bill 55 does not address is the issue of apprenticeship ratios, or in other words the ratio of apprentices to journeyperson. In Ontario we have all become familiar with the problems that arise when classrooms are overcrowded with too many students, there being a high pupil-teacher ratio. The same problems arise in the apprenticeship system. In fact, the need for individualized attention is even greater in construction industry apprenticeship programs, where often apprentices use highly sophisticated and potentially dangerous pieces of equipment. Ratios are clearly a quality-of-training issue.

As such, there must be some minimum standard in the legislation to provide for an absolute ceiling on what apprentice-to-journeyperson ratios can exist for specific trades. Otherwise, the system risks allowing for too many apprentices being assigned to a journeyperson, with a resulting decrease in the quality of training.

The wage rate issue which I touched upon earlier is also very important. A guaranteed good wage provides an apprentice with an incentive not only to enter a trade but also to complete his or her training while making a sustainable living. A good wage is clearly one of the most tangible reasons for entering a trade. A graduated wage rate formula also recognizes and rewards an apprentice for his or her perseverance, increased knowledge and ability to perform work. The combinations of low apprentice-to-journeyperson ratios, a guaranteed graduated wage rate formula and the prospects of a licence at the end of an apprenticeship are all incentives for our young people to enter into a rewarding career in the construction industry.

The International Brotherhood of Painters and Allied Trades, along with other construction industry stakeholders, truly understand the construction industry and how to best train industry apprentices. It is something we have been doing successfully for many years. In fact, the Premier's Council report of the late 1980s noted that Ontario's construction industry was a world leader in maintaining a highly skilled and mobile workforce that was able to keep pace with the demands of our economy. Premier Harris has on many occasions talked about the trained workforce in Ontario, which is second to none in the world.

When the Premier stated that he wanted to reform the apprenticeship system in Ontario, he quite properly asked construction industry stakeholders for input. As this matter is very important to us all, industry stakeholders spent a considerable amount of time, effort and expense to put forward our comments and concerns. It is disheartening, to say the least, that this government has for the most part disregarded our comments and concerns, as is evidenced by Bill 55. Many of the concerns which have been raised today regarding Bill 55 are concerns shared by the vast majority of industry stakeholders who have been involved since day one in apprenticeship training. We once again respectfully ask our government to listen to our concerns

and to amend Bill 55 to reflect our concerns in order to keep Ontario's construction industry strong, healthy and able to meet the demands of the new millennium.

Once again, in closing, I'd like to thank you for the opportunity for local 1904 to express our views.

The Chair: With that, we have about two minutes per caucus. I would start with the government caucus. Mr Boushy, do you have a question? Mr Wood? I'm not allowed to ask one. Mr Smith. I'm sure he can conjure up a question here.

Mr Smith: I apologize for not being able to attend your entire presentation, but thank you very much. I'll certainly be looking at it with close scrutiny with respect to the Ministry of Education and Training.

I wanted to come back a little bit because it's become very apparent to me that in certain trade areas there's a great deal of skill and knowledge in terms of the ability of where you think your standards should be, where they are now and where they need to go in the future. Part of this bill is to empower the PAC committees. I recognize we've had considerable input suggesting that we really haven't done that. I'm wondering what type of language you would recommend to me that would give some sense of empowerment to those committees beyond where they are right now, in terms of setting standards in other areas. Are there improvements to the language of the bill that you would recommend in that regard?

Mr Maceroni: The exact wording to empower the PACs — I think I'd leave it for the lawyers to figure out the actual wording, but I believe for this bill, to give the PACs more teeth, it would have to be in the bill itself, because doing it through the regulations — that's all they are, guidelines and regulations. I believe it has to be put in the bill itself.

1520

Mr Smith: Do you have any recommendations that you would suggest with respect to strengthening enforcement, recognizing there are concerns that when guidelines are established they can be ignored? Clearly, other groups have suggested that there needs to be a strengthening of the role of enforcement. Do you see PACs being involved in the enforcement process?

Mr Maceroni: I believe they would play a big part in enforcement, because enforcement is in the current act and is not being enforced from what we see. If the PAC were given a little bit more teeth in the enforcement issue, I believe they could resolve some of the issues when it comes to enforcement, whether it's themselves or a government body that does the actual enforcement. Right now, the Ministry of Labour is the enforcement body.

Mr Michael Brown: Thank you, gentlemen, for appearing. Is there a crisis in the apprenticeship programs in Ontario today, particularly with regard to your particular membership? Is there an imminent crisis, that everything is going to fall apart?

Mr Maceroni: At present?

Mr Michael Brown: Yes.

Mr Maceroni: No.

Mr Michael Brown: I didn't think so either. As you know, this bill is under time allocation. It's going to be done according to a timetable decided by the government House leader.

Having listened to this and having been around when the Premier's Council reported on the construction industry, and having been through the health professions bill that regulated the health professions, which by the way took about 10 years, I'm just wondering if we're moving too quickly in totally the wrong direction, that we should step back and have a look at this. Actually, the Health Professions Act is a pretty good one to look at. It took three different governments over 10 years to do it. I'm not sure it's totally right but it relates the same way.

Mr McKerral: If you're talking about reinventing the wheel, I don't think that needs to be done. From what I see, a lot of the policies that are in place right now are just fine. I don't know if the word "tweak" is proper, but it just needs to be tweaked. This isn't just a bid.

Mr Michael Brown: Some minor modifications, some evolution, that sort of thing is what's necessary rather than giving any government a blank cheque to, by regulation, do whatever happens to be the flavour of the day?

Mr McKerral: Exactly.

Mr Blain Morin: Thank you for the presentation this afternoon. I'm particularly impressed by the quote from Premier Harris, where you said he has on many occasions talked about a trained workforce in Ontario which is second to none in the world. In sitting through the hearings today into Bill 55, the question I'd like to forward to you is, do you see a need or do you believe there's a need here for such wild reform as we're finding in Bill 55? Or do you believe, and I think you answered this question before, that it seems to put workers in Ontario in jeopardy, especially around health and safety, especially around issues where it seems that we're not going to be able to attract those skilled tradespersons and especially when the Premier of the province goes out and says that the workforce in Ontario is second to none in the world? My father used to say, "If ain't broke, don't fix it." Certainly, I'm looking and I'm hearing a lot a comments today.

Other than enforcement, is there anything else that you believe should be looked at, or in your views is this bill necessary?

Mr McKerral: No, not the way it's written. It's too radical a change.

Mr Blain Morin: Do you believe, though, that there's a need for enforcement?

Mr McKerral: Very much so.

Mr Blain Morin: And perhaps enhance that.

Mr McKerral: Yes.

Mr Blain Morin: Other than that, is the construction industry working well?

Mr McKerral: Yes, we seem to be doing fine. We're holding our own.

The Chair: Thank you very much for your presentation today. It's very important input.

Mr McKerral: Thank you for your time.

CANADIAN AUTO WORKERS, LOCAL 103

The Chair: At this point in time I would call the CAW North Bay, local 103.

Mr John Bettes: I'm John Bettes, director of the skilled trades department for the CAW. With me today I have Denis Larabie, Frank van Schaayk and Brian Stevens, who's the president of local 103 of the CAW, representing Ontario Northland Railway under provincial jurisdiction, unlike some of our other railways, but which have a particular slant on this bill because of being in Ontario. The rest of the railways, CP and CN, register their apprentices in the appropriate jurisdiction, which is in the provinces; they are not registered federally. That's why this bill is important to them also. It covers across Canada some other 9,000 skilled tradesworkers, and in this province probably 3,000 to 4,000, because their apprentices are registered in the area of jurisdiction under the Education Act. We represent those also. That's why the variance of the CAW in our particular interest.

At this time I'll turn it over to Brian Stevens to carry on.

Mr Brian Stevens: I am the president of the Canadian Auto Workers local 103, which represents around 400 women and men who work in a number of communities in northeastern Ontario.

Close to 200 of our members are skilled tradespeople who work for the Ontario Northland Transportation Commission in North Bay, Englehart, Timmins, Cochrane, Moosonee, Hearst and Kirkland Lake. You'll find our members working in the rail yards, in the mechanical and maintenance of way shops and in bus garages in these communities. We build, repair, maintain and inspect, to industry and government standards, railway freight cars, locomotives, passenger coaches, rail maintenance equipment and motorcoaches, more commonly known as buses, and these provide safe, reliable and cost-efficient transportation services to northern communities, businesses and residents.

Frank van Schaayk and Denis Larabie, both from local 103, our skilled trades representatives, are with me today.

We appreciate the opportunity to appear before this committee. However limited these hearings are, that is four days in four cities, we remain hopeful not only that will we get an opportunity to present our views, but that they will actually be heard. To date, that has not happened with Bill 55.

As you would know, the CAW is the largest private sector union in Canada. Our current membership is around 215,000. Our members are organized into 1,300 bargaining units in close to 350 local unions. In the last 10 years, our membership has almost doubled.

In representing workers from coast to coast, we have the largest private sector union in Ontario, Newfoundland, New Brunswick, PEI and Nova Scotia. We also have a major presence in Quebec, British Columbia, Manitoba and Alberta. Besides being the largest rail union in the rail transportation industry, the CAW is the largest union in sectors such as auto assembly and auto parts manufactur-

ing, aerospace, shipbuilding and fisheries, in several other sectors such as airlines, mining — I understand you heard from local 598 today — electrical/electronics and the hospitality sector.

In addition to our skilled trades base in auto, auto parts, rail and aerospace, we represent motor vehicle mechanics in repair garages and dealerships. We also represent skilled trades in mining, shipbuilding and the hospitality sector. This gives us a unique vantage point to address apprenticeship training issues that cut across so many sectors of our economy.

We're here today to say that the legislation before you is flawed. It is the flawed outcome of a flawed process. The most knowledgeable about apprenticeship issues, those most involved in apprenticeship programs, those who are currently in and those who have graduated from apprenticeship programs, have been ignored.

The skilled trades have been part of our union since its formation in the 1930s. In the rail industry, our "craft" roots go back to the turn of the century. We have been negotiating apprenticeship programs with employers for decades. We've supervised thousands of apprentices in the at-work portion and we've developed more than one generation of tool and die makers, electricians, machinists and millwrights. We are now working with other trades, such as heavy duty mechanics in the railways, automotive mechanics in repair garages, steelplaters and metal workers in the marine yards. We have continuously upgraded programs, revised standards and promoted apprenticeship through various provincial advisory committees, national bodies and special projects.

It is our view that Bill 55 is a wrong-headed approach to apprenticeship reform. Bill 55 threatens our economic base and will undermine our strong performance in auto, auto parts, aerospace and other important industrial sectors. At a time when our workplaces are becoming more technologically intense, it doesn't make any sense to dilute the technical base of apprenticeships. Bill 55 will threaten worker and consumer safety as it erodes the high standard of performance and requirements of the compulsory trades. Survey after survey has concluded that one of our strengths in Ontario is the education and skill of our workforce, and Bill 55 jeopardizes these important strengths.

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Our concerns with Bill 55, and our demand that this committee recommend withdrawing the legislation and establish an apprenticeship review process, grow out of our union's long-standing commitment to apprenticeships.

Bill 55 implies that our apprenticeship system has failed. But ask the question: Are our skilled trades failing to meet the needs of modern production? Then look for the answer not in government background papers but in our workplaces. Look at the auto industry's new plants, such as Chrysler Bramalea, or those that have been completely overhauled and renovated, such as Ford Oakville and the GM truck plant in Oshawa. Those are the same plants that boast the fastest, best, most effective ramp-ups and launches in their companies' history. Look for the answer

even in old plants such as the former de Havilland facility, in which Bombardier is building its new Global Express jet. We have workplaces in which new processes, new equipment, new technology and new products are all coming together, all happening at the same time, yet our workforce and our skilled trades are making them work.

I ask you to turn to the last page in our submission and just read what Ontario Northland had to say about the conversion of former GO Transit unilevel equipment into "one of the most technically advanced trains operating in North America." That was done with the skilled trades who were educated and work in northern Ontario.

Is this the sign of a failure? Is that proof that our current training for apprentices is not effective? It's just the opposite. Our skilled trades are professionally qualified and the apprenticeship programs, such as those we have in the CAW, are highly effective.

Bill 55, we submit, is the flawed outcome of a flawed process. The legislation supposedly seeks to increase the number of apprentices in Ontario and provide additional opportunities for youth. But our experience with apprenticeship training has taught us that you don't increase the number of apprentices by reducing the quality of their training; you don't expand opportunities for young apprentices by reducing their wages; you don't regulate the acquisition of skills by deregulating apprenticeships; you don't deal with a federal government, which has eliminated its support for apprenticeship, by further downloading those costs on to individual apprentices; and you don't reform apprenticeship by taking the "skill" out of skilled trades. Bill 55 will do precisely those things.

Apprenticeship reform should meet a number of tests. For those who have drafted Bill 55, the tests are flexibility and cost cutting, but these cannot override other, more important tests: First is how we support the apprentice to succeed in the program, in the workplace and in the economy. Second, as workplaces become more technologically intensive, how we are able to deepen skill among workers and establish the foundation for continual upgrading. Third is how we provide opportunities for existing workers and those not in the workplace to acquire skilled trades knowledge and skill. Fourth is how we provide at times reluctant employers with the requisite skills base for long-term developments. In all of the above criteria, the current reforms fail the test.

The changes proposed in the Apprenticeship and Certification Act threaten apprenticeship training at a number of levels. The removal of the safeguards and provisions which have developed over the years to protect individual apprentices, which provide a set of rules to advance the body of trade knowledge and which provide employees and consumers with high standards of certification and safety, are now redefined as barriers and are removed from the legislation.

Bill 55 eliminates the ratio of journeypersons to apprentices, time guarantees for apprenticeship programs and regulated wage minimums for apprentices. In addition, it encourages short-term, limited training programs and removes apprenticeship standards; it puts at risk employee

health and consumer safety by abandoning certified trades; and it shifts the cost of training to individual apprentices.

The ideas behind Bill 55 didn't come out of consultations in labour-management forums, they didn't result from the deliberations of the industry committees that have been set up to advise on changes to apprentices and they didn't come from the experience of those who have come through apprenticeships.

In fact, the act goes against most of what has been recommended and much of what the government has reported in discussion papers. I won't read the quote that was contained in the discussion paper on apprenticeship reform and I won't bore you with the details. I'll leave that to you to read, but our point on the quote is that Bill 55 ignores the reasonable advice contained in your discussion papers.

Bill 55 wasn't done right the first time but it can be done right the next time. We urge this committee to recommend withdrawing the legislation and in its place establishing an apprenticeship review process that puts those directly involved around the table. In auto and auto parts, in aerospace and rail, in mining and in those sectors in which we represent skilled trades and apprentices, we are not only prepared to do so but we would welcome that opportunity. I thank you.

Mr Bettles: Just so the committee understands, the railways — and I'm not just talking about Ontario Northland — CP and CN both, have undergone a total reorganization of their trades structure because it was based on a 100-year standard and hadn't been changed. They've modernized the trades, fitted their trades and related them to the provincial standards or the interprovincial standards.

It was an arbitrator who recommended reducing the EI, which is the lifetime benefit on CN and CP, reducing the lifetime benefit to give the workers portable trades. These are trades that are portable within the industry and outside the industry. Remember, these workers took a cut because of that federal ruling, not a provincial ruling, in negotiations that if they could bring all their trades within the requirements of the interprovincial certificates to guarantee portability to the workers — in other words, a type of employment for life — they would replace and withdraw funds and use the funds to make sure that took place.

We've managed to do that on CP Rail, we've managed to do that on Ontario Northland and we've got CN making the conversion today. Lo and behold, the largest province turns around and says, "We're going to deregulate this industry," which requires regulation and has always required regulation. I'll leave it at that and let your questions roll.

The Acting Chair (Mr David Boushy): That leaves approximately nine minutes, so three minutes for each caucus. We'll start with the Liberals.

Mr Caplan: Thank you very much for the presentation, Mr Stevens. I thought it was quite comprehensive.

In your brief you say that Bill 55 didn't come out of what the government heard in its consultations with labour

and management, didn't result from the deliberations of industry committees and didn't come from the experience of apprentices themselves. That leads me to wonder, where the heck did this thing come from anyway? Do you have any idea whose idea this is, where this came from?

Mr Stevens: Maybe tomorrow night, when our local MPP comes into North Bay, I'll get a chance to ask him. I'm sure there will be a welcoming-back committee for him tomorrow night.

Mr Caplan: I'd love to know. This is now the third sitting we've been to and, I'll tell you, the nearly unanimous opinion of labour presenters, employers, educators, stakeholder groups, apprentices themselves has been exactly what you said: This is a flawed bill that has come out of a flawed process. But I also sense a willingness to work with the government to correct it, and that gives me a lot of hope. Everyone here has said they're not opposed to improving apprenticeships. I think you've made it very clear that you're willing to work with the government, to work with management, to work with all the other groups to improve the apprenticeship system.

Mr Stevens: Absolutely. A good example would be our involvement around Canadore College, MET and ourselves in redesigning one of the trades packages so that we could have a recognized in-school portion for one of the apprenticeships that we have at Ontario Northland. There is that history that we can draw on.

Mr Caplan: If this piece of legislation is not withdrawn and we go through a process, if you have any amendments that you think would work in making this the kind of legislation which will improve apprenticeships, I would ask that you please forward them to me and I would be more than happy to submit those amendments to this committee.

Mr Stevens: Thank you.

Mr Blain Morin: Just a couple of questions, and thank you for your presentation. I notice that 200 of your members work out of North Bay, Englehart, Timmins, Cochrane, Moosonee, Hearst and Kirkland Lake. I'm particularly concerned with Bill 55 because I believe that it creates a disadvantage for the people of northern Ontario, and representing Nickel Belt, which is the near north, I'm very concerned about those costs. You mentioned in your presentation where it shifts costs of training to the individual apprenticeships, especially around education. That must be really prevalent where you're coming from and the costs in those new, young apprenticeships. Could you give us some examples of where you're coming from?

1540

Mr Stevens: Actually we have to keep in mind that not all apprentices are 16 years old coming out of high school. A number of apprentices in our workplaces are as a result, and you would know, of some mine closures and mill closures that are happening and the workplace closures that are happening. A lot of the apprentices that come through our workplaces or workplaces in northern Ontario aren't 16 years old going in. A lot of them already have

family obligations. They have mortgages and children playing hockey.

What compounds this is that if the costs of the apprenticeship, the in-school portion, are going to be shifted to the apprentices, just how are they going to make all those ends meet? That's one thing. The second is, where are they going to do the training? If we have someone who is in an apprenticeship program out of the Timmins area or out of the Englehart area, that's one of the unanswered questions. Where will they get their in-school portion in terms of the training?

My guess is that if there is only one pipefitter apprentice in the catchment for Canadore College, Canadore College isn't going to run a program for one apprentice. I can tell you our experience already is that because we are seeing fewer and fewer apprenticeships in northern Ontario, our heavy diesel mechanics — we have about five or six of them, I guess, right now in the apprenticeship program. Actually private industry is using those five or six to supplement their apprenticeship program.

Our apprentices now are starting school at 1 o'clock in the afternoon. Our apprentices, under the union contract, are getting paid. The apprentices who are also going to school aren't getting paid. So they're going to work for four and a half hours in the morning, because they can't be without wages, and then they punch out at 12:30 and go over to Canadore and go to school for eight hours. That's how it's working, and that's on day release.

How do you do a program that's a block release of eight weeks? How do you take someone out of Englehart or out of Kirkland Lake and ship them off to George Brown? It's not bad when you live in southern Ontario, in that metropolis, and you can jump on the subway and go to school rather than go to work. That in itself is going to raise some cost issues. But how do people participate in the economy as apprentices when they live in northern Ontario?

This bill actually eliminates the thought of any person, young or old, in northern Ontario even contemplating an apprenticeship which leads to a better job, a higher-paying job. You're drawing a line. I would say, normally it would be Highway 7, but I think now, with this government, it's Highway 407, because that pays and Highway 7 doesn't. So anything north of 407 now, you're just not part of this government's economy.

The Chair: Very good. Thank you very much for that insight. For the government caucus, Mr Smith.

Mr Smith: Gentlemen, thank you for your presentation. There have been, as you can appreciate, a number of deputants who have raised the issue, as you did, with respect to the removal of regulated wage rates. You represent tool and die makers, machinists, millwrights, all of whom have for nearly seven years had that wage requirement removed from regulation.

You suggest that provision should be retained. We have areas of specialty, such as I mentioned, where that provision has been gone for some seven years. It's always been my understanding that wages have been fairly successfully negotiated in those professional areas. Why are you

expressing the concern that you are with respect to that issue when in fact there are some specialty areas, skilled-trade areas where those wages have been removed?

Mr Bettes: Quite frankly, I sat on the original PAC where that's removed today. That was not the case up until about four years ago, actually.

Mr Smith: OK, sorry.

Mr Bettes: I went back on that PAC deliberately, the original PAC on tool — I hold a number one certificate, but that's beside the point. That's how old I am. It was a Conservative government that put the legislation in, by the way. When we tried to deal with that — it had been removed and we tried to get that legislation overturned or that recommendation overturned, because quite frankly it led to problems. Where we had unionized contracts, it never meant a change, because we were at 60% or 65% of the rate, not 40%. It never led to one bit of change or any change for those people. But the unregulated, the non-union shops, those poor guys ended up at the minimum wage requirement and took wage cuts to stay employed. We heard all the horror stories out of it. That's why we tried to get it changed. It didn't work then and it certainly isn't going to work in the future.

I told you before, the guys who are already in the trade, the 40-year group, can only win out of this. If you fail, they win. But their sons and daughters and the rest of society lose by this.

I don't blame the Conservative government in this province. They didn't cut the UI off as a subsidization for apprenticeship, the federal government did. They didn't do some of the things that cut off the allotments for the in-school portion.

The apprentice in the unregulated or the non-union sector could still get UIC when he went to school. He could still get his payment for his classroom attendance out of the federal government by paying for the tuition. Now we've got no UIC, no tuition. He's right about northern Ontario. Now he's got to have a room. Where's he going to live? On the street in Toronto because he's an apprentice? He can't afford to be an apprentice.

Mr Stevens: Or she.

Mr Bettes: But you've got to remember, under your old regulation that the Conservative government put in here on most of these trades, there were no shortages of apprentices, like Alberta. Alberta's got a shortage: tuition fees, no wages. They've got a shortage so they have to do this \$500,000 advertisement for the trades.

If you post a trades job in most of this province, you'll have 1,000 applicants for every apprenticeship that's open. That's the history in Ontario. But once this takes place, can a 20-year-old — because we're not talking about 16-year-olds, you know that, especially in the trades you mentioned. You've got to be 18. If you don't have trigonometry, if you don't calculus, if you don't have anything, you can't work at the trade. You've usually got to have community college, so you're in your 20s before you start. By the time you're a second-year apprentice, you're 22 years of age, and maybe you're married. These

things happen, especially when you're 22. I know I went through a couple. These things happen.

What is he supposed to do? What is this apprentice supposed to do? He has to say: "I can't afford to be an apprentice. If I'm lucky, I'll get a job at Chrysler on the production line," or sweeping, "or I'll get a job at minimum wage. If I can get above minimum wage I'm doing well. I can't promote myself."

We might have the most intelligent kid with mechanical aptitude being bypassed in society. That's a disgrace. That is a goddamned disgrace, especially when it's based on money.

The Chair: Thank you very much for bringing that very colourful description.

Mr Bettes: You've got to have a little levity, you know.

The Chair: You bring a real face to the concerns. Thank you very much for that.

1550

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

The Chair: Now I would call on the United Brotherhood of Carpenters and Joiners of America, local 2486. Good afternoon, gentlemen. You bring a familiar face to these proceedings this afternoon.

Mr Tom Cardinal: Good evening, ladies and gentlemen of the panel. My name is Tom Cardinal. I'm with the United Brotherhood of Carpenters, local 2486, here in Sudbury, Ontario.

I'm a native of Timmins, Ontario, a little northern town of about 45,000 population. I started apprenticing in 1987 in the general carpenter trade, achieved various different skills in the apprenticeship program, as well as obtained the rank of foreman and general foreman on numerous construction jobs in Timmins. I believe it is all due to the current apprenticeship system we have now. At this point I'd like to turn it over to Dan.

Mr Daniel McCarthy: My name is Daniel McCarthy. I'm the Canadian director of research and special programs for the United Brotherhood of Carpenters and Joiners of America. I'm here on behalf of the carpenters this time and not necessarily all the employers whom I represented last time I spoke.

We're making an oral presentation and what we would like to highlight is that in some ways this could be conceived of as a Toronto bill, at least from a construction perspective. In terms of construction there is a very strong correlation between market size and the business cycle, and between market size and the particular skills you utilize. For example, studies that exist in the construction industry — I can speak for a couple of studies that were even done for the Labourers — show that during the peak of the cycle, an individual, for example, a carpenter doing form work, will become very closely attached to a single employer because that employer is going from job to job and the crew tends to move with him.

As soon as the peak of that cycle moves, that carpenter had better have well-rounded skills so that he or she can move to framing because, as you know, ICI and residential tend to move on different cycles. It takes two years to shut down an ICI when a recession comes; it takes six months to shut down the residential. Conversely, it takes two years to start up the ICI when you're coming out of a recession; it takes six months to fire up the residential. So you have to be able to be flexible.

I know that some of the sources behind this bill appear to be the home builders in Toronto and appear to be the Labourers, and I know Cosmo, he has my old job when I was the director for the Labourers. I know exactly where they're coming from, but that's an anomaly for one large local in the largest construction market in the country. What about an area up here like Sudbury?

The other aspect of taking the skill sets out of a trade in terms of their impact upon employability is, and I'll give an example — I haven't heard all the CAW presentation so they may have used it — it was on the front pages of the Toronto Star some time ago, about six months ago, and it had to do with de Havilland. They had a backup particularly on electric retrofits of the Dash-8. Normally they would have put an ad in the paper and would have interviewed everybody. Those who seemed to have the aptitude would have been trained in-house. They would have gotten the work at a very good scale of wage and when the work evaporated for that particular skill set on part of electrical work on the de Havilland aircraft, they would be laid off.

Instead they had an agreement with a couple of community colleges; one I believe was in the Soo and the other might have actually been in Sudbury. Those colleges charge \$1,200 tuition. Those workers paid for it, thinking they were guaranteed a job at de Havilland at the union rate. They found out, with two weeks left in the course, that there was no guarantee of work, after they had paid the \$1,200, after they had gotten this little bit of a skill set. Then they were interviewed and some never made it to the plant. Those who made it to the plant relocated and undertook all the expenses, and within nine months were laid off, and what did they have? They had a skill set, if you want to call it that, to work on one particular aircraft, and one particular job on an aircraft.

It would seem to me that if we're going to look at skill sets as opposed to trades, we're taking employability and we're taking tuition and we're taking people and we're saying: "We're going to deskill you. We're not going to give you a career." It was interesting when Tom introduced himself that not only has he worked through his apprenticeship, but he's become a foreman and a supervisor. I would suggest to you that, while it may be we have certain employers out there who have a core of carpenters who have their C of Q and can act as foremen and supervisors, and they're willing to try and hire a bunch of nail-bangers who can be constantly supervised because they can't read a blueprint and they don't know safety. It may work in the short term, but it certainly won't work in the long term when the demographics show that those people

who now are doing the foreman and supervisor jobs, and the most experienced of most of the trades, are in their mid- to late 40s. In 10 years there will be no pool to pull into those positions.

I would like Tom now to speak about the types of skill sets within the carpentry trade that he has had to have and use to survive in a market that isn't downtown Toronto at the peak of the cycle.

Mr Cardinal: In the carpentry trade, especially in a small town, a carpenter, an apprentice, has to be well rounded. In my apprenticeship career, I've worked on form work; I've worked in a cabinet shop; I've worked as a drywall mechanic; I've worked as an interior trim carpenter as well as a scaffold erector — I'm a certified scaffold erector — and last but not least, I possess a welding ticket, Canadian Welding Bureau, or CWB. I worked on a pile crew welding piles. I don't believe that a carpenter in a remote area can survive without the possibility of working on these different skills.

Mr McCarthy: I suggest that when we look at this bill we ask a few questions, particularly in construction. Are we designing a bill that may suit some very strong lobbying forces in the greater Toronto area and their short-sighted needs, or are we legislating for the entire province and understanding that not everybody is in Toronto? I don't live in Toronto either, so I know how to hate it.

I think that's the point we wanted to make, that skill sets are not a viable option for anybody outside of a peak market and a large market. That isn't going to make it. We need a trade.

The Chair: That leaves us a couple of minutes for each caucus. I begin with the PC caucus.

Mr Smith: Thank you for your presentation. I want to come back to this issue of the provincial advisory committees, because at the outset, given my understanding of the previous legislation and the powers that were provided to PAC committees there, I was led to believe that when we broadened those powers in Bill 55 we were meeting the expectations of provincial advisory committees. What level of comfort or decision-making do you feel should rest with the provincial advisory committees with respect to your trade?

Mr McCarthy: Clearly the past history of being an advisory body has not worked. It seems to me that giving advice that isn't followed through is useless. There have to be some actual teeth. I realize it's a government's duty to govern, but we have a long tradition in this province of having employer-nominated and government-appointed positions.

We have a history in construction of having a labour-management health and safety committee in which virtually all the regulations on health and safety go through this committee and then are taken up by the government of the day and made law. I don't see why we couldn't get away from drafting advice, mailing it off and hoping it gets through to the minister. Why couldn't we have the same rights and responsibilities that are operative in health and safety to be operative in apprenticeship?

The other part of the question in terms of the PACs: The wording in section 4 that uses "industry committees" — I understand there's a legal opinion on what can fit into the wording "industry committees." It can include a sector council. In construction, a sector council may mean all of construction. It may mean residential versus ICI. It could even hive off industrial.

1600

You need to have a clear line so that when you get a proper recommendation that's been through labour-management, it in fact becomes law. But it seems to me that you're going to now expand into multiple levels so that you would have, for example, carpenters sitting on residential, where we have an enormous influence, sitting on the ICI and sitting on the industrial, and you don't want all three of them having their own committees and putting it through to you. I think we need integrity. I think there may be reasons that in construction particularly you may want to have sectors, but you've got to lay out very specifically where the overlap is and who has the final authority. I would suggest to you that it's the trade that has the final authority in terms of setting standards and looking at the interprovincial exam and having input on those kinds of things. We're very involved in that in the Carpenters' union, trying to set national standards right now. We've got the pilot program.

Mr Caplan: I'm really glad, Mr McCarthy, that you brought up the de Havilland experience at the Soo college. It's very illustrative. In fact, I'm quite aware of what happened. I believe it was only 10 people who graduated from the program who actually got employment. You're quite correct: Within nine months they were all laid off and have virtually no prospect of another job within that sector.

I'll bring to your attention, and I'm sure you're aware of it — in a previous lifetime I worked with local 3219 of the Carpenters and Joiners. They were the maintenance department of the North York Board of Education, and as I understand it, the only public sector maintenance department that has been ISO 9000 certified. This is the type of partnership, the kind of quality, that you have when you have a proactive group that is committed to training, that is committed to upgrading skills, that is committed to all of those kinds of reinvestments and forming a partnership with management. It's a very good model, and something that I have often thought we should be expanding. I'm sure you're familiar with that.

Mr McCarthy: I'm familiar with 3219, and our business manager there, Jimmy Hazel. Quite interestingly, the Minister of Education, I believe it was John Snobelen at the time, visited and had a presentation by local 3219. They had all the charts to show that it wasn't just that they had the ISO 9000, but in fact the productivity of the tradespeople brought the square-footage cost of maintenance in that school board below the contracted-out maintenance.

Mr Caplan: The absentee rates were lower. It was a remarkable operation, and it really shows what you can do

by working in partnership as opposed to having this continued conflict.

Mr McCarthy: What I find interesting about that is that we were not the only trade represented on that school board; the other trades were there. There was no need to cross-craft, there was no need to say, "You need an endorsement in this skill set, an endorsement in that skill set." They had a cross-section of trades, they had the productivity and they were delivering the lowest price to the taxpayer.

Mr Lessard: I'm not from Toronto either. I guess what concerns me about Bill 55 is that it seems that what we're doing is saying that all of the brains and all of the wisdom in dealing with these issues reside in a few people in Toronto. I just don't think that's the case. I wanted to ask you about the portability of skills. You've mentioned this one example that you're familiar with, but I want to ask you about portability of skills across provincial borders as well, and specifically what you think may happen with the red seal program.

Mr McCarthy: To me, it's not simply the red seal. The red seal is very important; the interprovincial exam for carpentry now is the carpentry exam in Ontario. Where I have a problem is that if we look at the commitment this province has made under the Agreement on Internal Trade, chapter 7 of that is quite clear on labour mobility, and the red seal is mentioned directly in that. Not only are we challenging the trades act; we are in fact looking at the interprovincial agreements that we've made and must live up to. I know that there was some discussion at the Canadian Council of Directors of Apprenticeship on whether or not skill sets would offend our agreement under chapter 7. The lawyers who did the legal opinion for the drafters of Bill 55 said, "If you leave it vague enough in terms of skill sets, you will not, on the surface, have a problem with our commitments, as a province, under chapter 7. As soon as you start to fill it out in regulation, then you're going to be taken to the tribunal."

It seems to me that this is really absolutely going the opposite direction of where we want to go. For example, the Carpenters' union in Canada is now the first construction union, with the OK of every province and territory, to create a national core curriculum.

The federal government is investing about \$400,000. They are bringing in representatives from Carpenters' unions and from community colleges right across this country. It's a pilot. Quebec is on side. We're developing a common core curriculum with standards, a common core bank of questions; a computerized bank has already been developed. Here we are in Ontario and we're taking a step back. If we're talking about mobility, if we're talking about people moving, then why would we as a province that, when southern Ontario is hot, draws in thousands of workers from other provinces, dismantle a system that we're still working on so that there's even better mobility?

Here we've finally got all the provinces on side to develop a national core curriculum and we're talking about taking carpentry and rending it asunder. It makes no sense.

The Chair: Thank you very much for your presentation, Tom and Daniel. Just for the record, I'm not from Toronto either. Where exactly is Burnstown?

Mr McCarthy: Burnstown has a stop sign between Renfrew and Arnprior, and I live four kilometres from it.

The Chair: Thank you.

Mr Lessard: On a point of order, Chair: I wanted to ask the parliamentary assistant whether he was aware of the legal opinion that the presenter just referred to, and if so, whether that's something that could be tabled with the committee, or any further legal opinions that may be available that deal with the red seal certificate program.

Mr Smith: I'm not aware of the opinion that the presenter identified during his presentation. I'll certainly undertake to find out, with the Minister of Education and Training, what the status of that opinion is in relation to the red seal program, if in fact there is a status.

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MILLWRIGHT REGIONAL COUNCIL OF ONTARIO

ASSOCIATION OF MILLWRIGHTING CONTRACTORS OF ONTARIO

The Chair: With that, we'll move on to the next presenters, the Millwrights' local 1425. Thank you very much, gentlemen, for attending.

Mr Michael Stewart: My name is Michael Stewart. I'm the business manager for Millwright local 1425 in Sudbury. Our affiliation is with the United Brotherhood of Carpenters and Joiners of America.

Mr Jim Burke: My name is Jim Burke. I'm the apprenticeship coordinator for local 1425.

Mr Stewart: As I just stated, my name is Michael Stewart and I'm from Millwright local 1425 in Sudbury, speaking on behalf of the Association of Millwrighting Contractors of Ontario and the Millwright Regional Council of Ontario and its eight affiliated local unions. Together, we represent over 200 millwrighting contractors and over 2,000 certified construction millwrights in Ontario. Although we may be relatively small in numbers of workers, the construction millwright trade is critical to Ontario's construction and industrial sectors.

I wish to make a statement that we, the Millwright Regional Council of Ontario and the Association of Millwrighting Contractors of Ontario, support the following submissions that were made to this committee: the Ontario Construction Secretariat, the Provincial Building and Construction Trades Council of Ontario and the Provincial Labour-Management Health and Safety Committee.

In an attempt to provide a different approach to the consultation process, I would like to limit my comments to the possible systemic effects of Bill 55 on the training culture of our industry.

The existing commitment to training and education of our apprentices in a voluntary trade could be dramatically affected if Bill 55 legislation is allowed to go forward without significant modifications.

Remember, the term "voluntary" signifies to act of one's free will. In order to maintain industry's voluntary participation in human resource development, we must maintain an apprenticeship infrastructure that has purpose and that is beneficial to the industry stakeholders.

We feel that Bill 55 removes the built-in incentives to maintain quality training standards and achieve meaningful trade certification.

The government may be correct in their statement that a one-size-fits-all apprenticeship model does not work for everyone. However, the current apprenticeship legislation and training system that has served the construction sector for over three decades is an example of the highest quality of training in the world and should not be destroyed to accommodate new occupations or industries: it is definitely the wrong approach.

The construction millwrighting industry strongly supports the existing apprenticeship system as an effective method of training our current and future workforce. Our industry has experienced tremendous success under the current system of apprenticeship. Time and time again, our young apprentices have demonstrated in both provincial and international competitions that their skills and abilities are among the best in North America.

Apprenticeship training has broadened our industry's perspective when it comes to education and training, commitment to quality and integrity within our trade. Evolving from the apprenticeship training philosophy, our industry has actively pursued other methods to further promote portability of skills and certification of our workforce.

Further industry co-operation can be demonstrated through joint labour-management participation and active involvement on committees such as construction millwright provincial advisory committee; curriculum development committee; provincial local apprenticeship committee; provincial trade labour-management health and safety committee; and national millwright industrial adjustment committee.

All these activities come from a voluntary certified trade with its main goal to make the industry more efficient, productive and competitive in our global economy.

However, if Bill 55 is implemented in its current form, a negative impact may be felt through the entire industry for voluntary trades. Training and certification would be without purpose or direction.

The public consultation process to develop Bill 55 does not reflect the recommendations that were presented by the construction industry stakeholders.

Under Bill 55:

The present apprenticeship system would be deregulated and dismantled.

Our industry PAC committee would be strictly an advisory group.

Our industry's request for mandatory training requirements and compulsory certification would be limited to skill sets.

Increased tuition fees could significantly reduce in-school pre-apprenticeship training.

Certificates of apprenticeship and certificates of qualification would no longer represent quality trade skills and work experience.

The commitment in the employer-apprentice relationship would be reduced to a sponsor.

Reduced wage rates would remove incentives to enter the construction industry.

Ministry of Labour enforcement of trade certification would never be implemented through simple guidelines.

Ratios of journeymen to apprentices would dramatically decrease the quality and safety of training.

Self-employed apprentices, part-time and contract workers would help fuel the underground economy and could pose serious health and safety risks to themselves and others.

Many voluntary trade unions and non-union firms would have no reason to participate in apprenticeship training.

Government would double the number of apprentices in the system in order to address high youth unemployment.

Industry would see an increase in lost-time injuries and accidents resulting from inadequate supervision and training of apprentices.

We agree that the apprenticeship training system must be modified, but not changed, to meet the challenges of today and the 21st century.

The existing apprenticeship model may not work to the benefit of other sectors, but it works extremely well for the construction industry. Apprenticeship under the existing system has stood the test of time and has the ability to adapt itself to the changes within our industry through prior learning assessments, interviews, pre-apprenticeship training and upgrading programs implemented by industry stakeholders. Bill 55 legislation may be suitable to other sectors but it will create irreversible damage to the construction industry.

Construction is a dynamic and cyclical industry. Training is scheduled during the slower periods of our economy. The in-school training can then be demonstrated and tested in a real on-the-job work environment under the guidance and tutelage of an experience journeyman, thereby ensuring the greatest degree of worker safety.

The construction industry is a supply and demand marketplace which even under the best circumstances can only take in what the system can reasonably accommodate.

Bill 55 is a piece of proposed legislation which will ultimately destroy the high quality of training achieved through the existing Trades Qualification and Apprenticeship Act.

We from the construction industry will support a training model which will continue to create highly skilled and qualified tradespeople; a model which allows for the necessary time, patience and understanding required to learn a trade in a safe and effective manner, without compromising the young apprentices' health and safety; a model which ensures the industry growth and flexibility, while maintaining its competitive edge.

In closing, we would ask that this committee and this government take this valuable opportunity to make the

necessary changes to amend Bill 55 to reflect the thoughts and the experienced recommendations coming from the construction industry. Thank you.

The Chair: That leaves us some time for each caucus. I will start with the Liberal caucus.

Mr Caplan: I'd like to thank the presenters for their words. It is certainly a very comprehensive presentation. One of the points that you raise is that the enforcement of Bill 55 is going to be placed in the hands of the Ministry of Labour. The Ministry of Labour over the last number of years has experienced a number of reductions in its budget, a number of reductions in the number of enforcement officers. If they're going to have to assume greater responsibility for the enforcement of apprenticeship, I'm really curious how you think they're going to be able to accommodate that kind of workload.

Mr Stewart: I think they're having a tough time handling it right now. If the system is changed, they wouldn't be able to handle it. That's the answer to the question.

Mr Caplan: One of the concerns is that you're going to have these skill sets, and in the cyclical nature of the construction industry you have somebody who's got a skill set in framing and they decide that they're going to pass themselves off to the public, because there isn't a job in framing, as a carpenter with all of the different aspects of carpentry. It would be the Ministry of Labour which would have to do that. They are not going to have the manpower, the time or the ability to be able to enforce that. There's a real public safety concern here.

Mr Stewart: It's a concern right now. The lack of response from the Ministry of Labour in our area up here is unbelievable.

Mr Caplan: I can well imagine. As well, you talk about allowing self-employed, part-time and contract apprentices. I've heard some attempts at explanations, but maybe you could help me out. How would you become a self-employed apprentice? How would that work? How do you see that working? It doesn't make any sense to me.

Mr Burke: Most of the industry in the Sudbury area is based around mining and pulp and paper. If a company like Inco takes an apprentice and puts him into a program at Cambrian College where he spends eight weeks taking a hoisting engineering course strictly on skip-hoisting up and down a mine shaft, it doesn't make him a hoisting engineer. You had a fellow up here a while ago who stated that it takes five, six, seven years to become a hoisting engineer.

What we don't want to see with this new bill is companies like Inco, Falconbridge, whoever, taking a young kid from high school and training him to do this one specific job and then giving him a certificate stating that he's a qualified journeyman at hoisting engineering, or millwrighting, or any one of the trades.

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Mr Lessard: Thank you very much for your presentation. This is all new stuff for me. I don't come from a construction background and I have to ask you what a certified construction millwright does.

Mr Burke: Our basic job is to go in to align and install machinery, and in a lot of places we go in and maintain it

for companies such as ball mills, whatever. We just finished a job at Algoma Steel where we put in their new direct-strip mill, a \$700-million project. The majority of workers on the job were millwrights and electricians.

Mr Lessard: You mentioned the example of Falconbridge and Inco maybe having an opportunity to put somebody through an eight-week course and call them skilled at something or other. We don't know exactly what skills they may have, but are you hearing from people like Falconbridge and Inco that this is something they want to be able to do?

Mr Burke: I was at a presentation by the government and Cambrian College, and they were going to try and implement a module system where they would bring in a guy who would go to school for eight weeks and become a skip tender. This is a job that you have to be highly qualified for. An Inco guy was there and he said: "This should be allowed. We should be able to do this." You have kids now who take a millwright course at Cambrian College, and this fellow from Inco stated that this was satisfactory for them as an apprenticeship; that's all a kid would need.

If you're going to put the kids in, they know absolutely nothing about the workplace. On a job like the one at Algoma Steel, we had 900 men there. They walk in there and they just get blown away by this. The site was seven football fields long. You can't take a kid from looking at a book or at a picture and saying, "This is what you're going to work on," and bring him in. He doesn't know the first thing about it. To them, a 40-week course at Cambrian College is sufficient to let the kid sit down and write his ticket for a millwright. I've been a millwright for 22 years and I'm still learning.

The Chair: Thank you very much for your presentation. It certainly gives a hands-on view of the changes.

With that, I'll call upon —

Mr Caplan: How about the parliamentary assistant?

The Chair: Pardon me. I wasn't sure he was prepared.

Mr Smith: Thanks very much. I have to rely on my Liberal caucus colleague to represent my interests.

Thank you, gentlemen, for your presentation. On page 7, in your concluding remarks, you indicate that you would support a training model "which ensures industry growth and flexibility, while maintaining its competitive edge." I was wondering if you could give me your definition of flexibility as it applies to apprenticeship training in the province.

Mr Stewart: If I'm not mistaken, I think the provincial advisory committees would be a good avenue for the government to use. I don't think any consultation has been done with the provincial advisory committees, if I'm not mistaken. I don't think any has been done, no advice has been sought from them. I think that would be a step in the right direction. That's what the provincial advisory committees were set up for.

There are a number of issues they could deal with. They could revamp the trade exams. There are a number of things that —

Mr Smith: So those types of standards really should be generated by professionals such as yourself, through your

local committees or through the provincial advisory committees?

Mr Stewart: That's what I think the provincial advisory committees are all about. I served on the provincial advisory committee for millwrights going back 10 years now. We revamped the provincial trade exam for Ontario. It's a good, functioning group, well represented by labour, management and the government, and I think they're a good avenue for our government to consider.

Mr Smith: Part of the challenge the government had was that some of these committees hadn't even met, nor were appointments made, from 1990 to 1995, so that scenario existed. Through this process, we've attempted to elevate the role and responsibilities of provincial advisory committees. I want to leave Sudbury today with a sense of your degree of involvement or what you think those committees should do in terms of establishment of standards and other factors in your areas of profession.

Mr Stewart: Develop training standards, curriculum, certification criteria and certificate-of-qualification examinations; establish criteria to assess and improve training delivery agents' qualifications to teach the trade; implement and administer trade-specific regulations; promote and market our trade; establish and implement criteria for recruitment; issue letters of permission for provincial certificates; establish funding criteria for training and upgrading programs, just to touch on a few. I'm sure there's much more. We have a committee together. You have three or four for both sides, if you want to take sides or call it sides, who contribute to the process. I think it's a good unit for the —

Mr Smith: So you envision yourself having a very strong say in those subject areas you've identified.

Mr Stewart: Yes.

The Chair: Thank you, and I apologize to the parliamentary assistant for ignoring him, for the moment anyway.

SIMON CHAPELLE
BERNIE McDOWELL

The Chair: At this time I'd call on the next presenters for this afternoon: Bernie McDowell and Simon Chapelle. Good afternoon, gentlemen, and thank you for your attention and attendance.

Mr Simon Chapelle: My name is Simon Chapelle. I work with McDowell Equipment as well as having a personal interest in apprenticeship. I'll get into that with my presentation.

Mr Bernie McDowell: My name is Bernie McDowell. I'm chairman of B. McDowell Equipment and the McDowell group of companies. We are a major employer in the city and we train a lot of people. We'll get into that as we go along.

Mr Chapelle: I'm rather excited, actually, to be here in front of you this afternoon — and I thank you for the opportunity — for a twofold reason. First of all, I had an opportunity in my youth to pursue a skilled trades background. While in high school I had great interest in auto

mechanics, electronics etc. I attempted to pursue the automotive industry, won the grade 12 senior award — I was only in grade 11, still a junior — won the senior automotive award for achievement, further went on to take a co-op course and was offered an apprenticeship program through Mid North Motors, just down the road here.

This was an avenue I was very seriously looking into. However, even at that time, having an automotive type of trade wasn't seen as a success in today's society. It was downgraded by your peers, it was downgraded by your academic advisers in high school. They would recommend that rather than become an auto mechanic or a plumber or whatnot, to go to university, get a job. Well, folks, I went to university and spent six years trying to discover what I wanted to do. Now I'm in a very basic construction, mining and mechanical-based mindset of employment where I'm a sales representative selling mining equipment, which now goes back to the relative experience of knowing what a transmission is, torque converter, wheels, axles, all that stuff.

If I look back at my university education, it was a great opportunity to learn to develop your speaking skills, writing skills etc. However, the lost earning potential that was felt for the last 10 years, where I started as an apprentice making \$25,000 a year, graduating to today's rate, which would probably be between \$45,000 and \$60,000 with overtime, a mechanic type of role, and you look and reflect on the fact that I owe, probably, still \$31,000 in student loans and plugging along, there's a huge loss. We don't explain this to our kids today.

If this committee brings anything forward, please encourage people to become tradespeople. Don't set the bar so low as grade 10 education. If I see that I only need to have grade 10 to become an auto mechanic and get an apprenticeship, why would I be interested in doing that? It tells me that's the easy way out. If the bar was set higher and you had to have a higher education, higher skill set for today's industrial sector — we're dealing with equipment at McDowell Equipment. Mining equipment is all becoming fully remote-controlled. We need people with skill sets who have an understanding of electronics, have an understanding of computers, have an understanding to that level. It's no longer an employment opportunity where grade 10 will suffice, where you're just learning about the geography of Canada and the War of 1812. We have to develop that.

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If we look at the industries of today's new economy, we have aircraft manufacturers and automotive technologies that are world-renowned. I'm sure you've had presentations explaining labour's perspective of having this. I think we're doing a great job on that. Just down the road in North Bay we've got Bombardier building waterbombers and we have the Panda project for Chinese aircraft. In fact, my wife took a six-week intensive course at Sault College, a little over a year ago, to become an aircraft manufacture assembler. The tuition was \$5,000. To have that sort of apprenticeship program with private inducement from de Havilland and then have an opportunity to

put a little bit of investment of your hard-earned money into it, have a condensed program and then have an opportunity for full-time employment is an incredible idea. We should be focusing on sector-specific requirements to help fill niche markets. I don't know if apprenticeships that necessarily take two and half years, two years on average, are always required to have a lot of skill sets.

At McDowell Equipment, as I'm sure Mr McDowell will represent, we have skilled people who have just the basic skills. They're not really becoming specialized in anything. We hire a lot of young people. We help them go through the apprenticeship program, which is very difficult for us because they have to take a lot of their courses at Sault College rather than here locally, they don't often fit into our production schedule with equipment, we're losing mechanics or technicians at the wrong time. They should be a little more flexible with regard to the business community, maybe having courses on weekends or in the evening, something that would help work with the businesses so that we don't lose the manpower and have to replace them with a minimum-wage student who's working part-time.

The skill set they're developing is, to some extent, very good. We build on that. Once we have them up and fully licensed, it seems that the Incos and the other mining companies take our employees elsewhere and put them in the mines where the salaries are, obviously, affordable, with a nickel bonus and a few other things. In fact, just down the road at McDowell Equipment right now we are actually training two apprentices, actual technicians from Nicaragua who have come up. We've sold some equipment in Central America and we're actually taking six weeks and training these technicians as we're rebuilding equipment for them so that they can go down to Nicaragua and help assist with their construction and mining equipment once it's down on site.

I think I'll leave the flexibility aside and encourage you to continue to raise the bar for education and let Mr McDowell talk about his perspectives from being in the business for 30 years.

Mr McDowell: As I see it, our biggest problem with growth in the construction and mining business is that we don't have enough skilled tradesmen. Whether we're looking for carpenters to do a job, somebody to do a job, we just don't have the people. As Simon said, we take mechanics out of Cambrian College, we train them, and then faraway fields at Inco look greener, so they leave us because Inco pays more money and they figure they've got better security. With the downsizing at Inco, I don't know whether they do or not. In the meantime, their father has worked there and so go there. So our policy now is that if a young fellow comes in and says, "Well, I went Cambrian College." I say, "Where does your father work?" If he says Inco, he's out.

It's very simple from a small-business standpoint. I've been in business all my life and nobody looks after me; I've got to look after myself. I've got my four sons involved in the business. We've got to train the people. Simon says they should bring the bar of education up a

little higher. I don't know; if a guy has a love for the job, maybe he doesn't like school and wants to go and be a mechanic. He's got to love what he does. If he doesn't do that, there's no way he's ever going to make it.

We have to send our apprentices up to the Soo. It's very difficult and they're living on minimum wage or unemployment when they're up there. It's tough on them and it's tough on us. The training has to be closer to home. You've got to work with the schools so that you can take the people in there and retrain them. Even now, the fellows that are mechanics should be being retrained in the schools to bring them up to the higher standards required in the industries. It's a sophisticated thing today; it's not like the old days where you could tune up your car and put in a set of plugs or a set of points. You can't do that any more in the automobile.

Everybody's crying for tradesmen, and yet we've got 11% or 12% unemployed in Sudbury. It's a simple thing: Somehow we have to come to some kind of a consensus that everybody works together.

I guess you people have heard it all, so it's pretty well up to you what kind of system you put in. Thank you very much.

Mr Chapelle: One other aspect, just on the unemployment: We do have a high unemployment rate for youth, especially in northern Ontario. I'm sure Mr Morin was quite familiar with that as a campaign issue recently. Congratulations on your election. I meant to acknowledge you earlier; sorry about that. We have a high youth unemployment rate.

With higher emphasis on our students in high school, I think we'd have more people interested in trades. They run an ad periodically in the Sudbury Star about a women's trade network for women who want to get into non-traditional roles. I think that's an excellent idea. I'm sure we should focus more on that, just like we're focusing on science and technology, because if you combine the two, you can have some award-winning projects on the go right now. There's other companies in town, like Hard Line Solutions who do remote control systems for scoop trams so that peoples' lives are saved underground. An operator can stand 300 meters away and use a remote control system to move ore where the back of the rock is so unstable that it would crush a person. It's easier to rebuild a scoop tram, as we do, than it is to replace a human life.

The technical skills that this particular company involve are actually close to those of the automotive industry, the people with higher electronics, higher electrical and hydraulic experience than a typical diesel mechanic, just because of the computer interface that's required.

There's all sorts of opportunities for youth up here in the north in relation to the mining industry, if they have a basic trade to fall back on and work with. I don't understand why we don't emphasize the whole aspect of learning how to weld or learning how to use a drill properly. I don't know how many friends, female friends in particular, have called me to hang a picture because they don't

even know how to hang a picture in their apartment. We don't train our children in that respect.

I think we have to make a skill, like electrician or plumber, look attractive to the youth and improve the access to that. Whether apprenticeships have to start within the school system, as they've modelled in various countries after Germany or whatnot, we need skilled people. We're in favour of anything that makes it more attractive for people to become skilled technicians. We can employ them so long as we have them. I think the government's effort to increase the number of apprenticeships in Ontario is an excellent one. I look forward to helping some of these people find employment.

The Chair: Thank you very much. We have enough time for a question from each caucus. We'll start with the NDP caucus.

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Mr Blain Morin: Thank you very much for the presentation, Simon. Growing up in Sudbury I've had the opportunity, through my father-in-law, to see McDowell Equipment grow to a very successful company in the Sudbury area. I congratulate you and your family for that.

I guess my question is a simple one. The government is talking about increasing apprenticeships in this province from 11,000 to 22,000. That's not necessarily bad. Employment, though, has to follow. You don't create widgets just to create widgets. In increasing apprenticeship training in the province, I would imagine that you would certainly agree that if we take a mechanic or an electrician, there has to be a mandatory standard or training requirement. I mean, would you want to be an electrician if you were right 51% of the time or if you didn't get all the training? Would you want to be a mechanic, for example, if you only knew how to work on mufflers? Would you not agree that a mandatory training system has to be there and a complete package has to be there so that a millwright, for example, is a millwright or an electrician is a certified electrician? Should there not be a mandatory training session or a mandatory standard? What's your feeling on that, or should we be watering down that standard?

Mr Chappelle: That sounds a bit like a baited question. I understand the tangent you would like me to answer this on. Of course we do require some standards. I know the provincial government is very in favour of standards, even at grade 3. They have testing levels, they have standards all the way through, so yes, in short, there should be some standards to papers of certification. I certainly would not want a welder without any standards trying to arc-weld on a combustible gasoline tank, for example, or an electrician wiring my house so that I get electrocuted every time I turn on the switch. I agree there should be standards.

What I'm saying is that the standards can be introduced, and all I'm asking is that when we put forth these standards we keep the businesses in mind and maybe have more dialogue with businesses who employ these people so there's flexibility, so that some of the onus is passed over to the businesses to train them effectively and then we have the ministry come in and individually test these

people. But I do agree that there have to be some standards.

Mr Blain Morin: They should learn the complete trade. I mean, we should be breaking it up into skill sets. It's not baited; I asked for your opinion, right? We shouldn't be breaking the trade up. We should be training them.

Mr Chappelle: No. I'm saying that it could be shared more with the employer as well as with the education system so that it allows the individual to increase their earning potential as they're on the job and working with it rather than having to work for such a long period of time at a low wage being an apprentice and then jumping into a journeyman. I think there's some skills an apprentice can do probably as well as a journeyman at particular points in their practical experience. I think we should take that into account to a great extent.

I don't know how you would govern, I don't know if it would become a bureaucratic nightmare if you had a set of particular standards and tried to enforce them provincially. I think every community is different. If we're having this hearing, say, in Kapuskasing, the educational opportunities for those people in Kapuskasing are not as great as they are here in Sudbury and Sault Ste Marie. You have to learn a lot more of those skill sets on the job. I think that flexibility should be there. However, the standard should be the same. I'm saying that for flexibility purposes you need that.

Mr Smith: Thank you, gentlemen, for your presentation. I just want to get something clarified. I wasn't sure if in your presentation you were suggesting that the minimum grade 10 entry requirement was lowering the playing field. Perhaps you could give me some clarification on that, given the observation that you made. In that same vein, I'm wondering if you would hold the view that skilled trades people themselves, industry representatives, both employees and employers, should be empowered to establish what that educational standard should be.

Mr Chappelle: Mr McDowell and I actually had a discussion over this. He's done rather well with a grade 8 education. I applaud his efforts. That's based on the wealth of experience he has.

What I'm saying is that from a personal perspective, when I was in high school and it said that grade 10 was all that was required to become a tradesperson, I said, "Well, I'm not going to worry about those skills now; I'm going to keep going." There's probably a very small number of students who actually have less than a grade 12 education because even we as an employer, I don't know if we would want someone —

Mr Smith: Actually, only about 6% of all apprentices who have been surveyed by the ministry have less than grade 12. That's why I'm asking your opinion on the playing field that's established by the grade 10 requirement.

Mr Chappelle: Right, right. I would say that we probably filter out that anyway, because we would hire people with a higher skill set, with a college diploma etc. I don't

know if we've ever hired any apprentices. Mr McDowell would have to make the comment on that.

What I'm saying is, if a person was to enter a trade and only had a minimum of grade 10 education, got hurt somewhere along the line by some unfortunate accident or decided that's not the occupation they liked, or they're allergic to diesel fuel and break out in horrible rashes, they don't have the basic education of high school to fall back on, to then go on and apply for a different college course. I'm not sure if we're doing a disservice to our youth by just saying they need a minimum of grade 10 or if we're actually doing them a favour. I would tend to say that if you set the bar higher, people realize that it's a very serious trade to be in, the earning potential is there and whatnot.

By the same token, we may be able to look at having special schools for people who are interested, that they can do their apprenticeship from grade 10 to grade 12, in that time period. They graduate with a grade 12 diploma and their apprenticeship is complete, like they do in Germany. I like the European model for tradespeople. We tend to have a lot of European immigrants come over here who have done the trades. The Italians got here, you know, 30 years ago.

Mr Caplan: I have one question and comment for Mr Chapelle and one for Mr McDowell. I hope that I'll be able to get both in.

Mr Chapelle, you mentioned that you were a student, you're carrying about \$31,000 in loans, and you were wondering why the community colleges aren't offering part-time or weekend courses. I have a bit of an answer for you: A couple of years back there was a change to the student assistance provisions by having course load requirements, whether or not you could access a loan. You no longer have the ability to access loans if you're a part-time student. Hence, the colleges and universities dropped a lot of their part-time programming because they don't have people who are able to afford it. The government, I think, estimated they saved about \$13 million from that one change.

If they were to provide some assistance — in loans, so people could pay them back — for part-time students, I'm sure the community colleges and universities would be more than happy, because I know a lot of businesses like yourself — I heard this from Chrysler, by the way, in Windsor when I was down there earlier this year, saying that they would like their people to be able to go. Perhaps you would join with me in lobbying the government to make a change to their policy regarding OSAP so that part-time students could access that kind of programming. I know community colleges and universities would offer it.

Mr Chapelle: Actually, although I mentioned I had loans, I think if I was to do it over again I'd work a year in between going to school, because having a loan and paying back \$450 a month is like having a shot in the head, to be honest with you. I would prefer not to have a loan burden.

Mr Caplan: So many students have told us that.

Mr Chapelle: First of all, if we encourage people in high school to take the loans — what I was looking at was a more co-operative venture with business. We would keep the employee on the payroll while they're going to school so long as they're getting trained, and we would offer that student, for those four hours on two or three evenings a week — they would still be on the payroll because they're bringing a net benefit to us. Every time we hired an unskilled person and they make a mistake installing a starter or something on a piece of machinery and it goes down to South America and it blows up the engine, who's got to fly down there and solve the problem?

Mr Caplan: That's a cost of business for you, for sure.

Mr Chapelle: For sure. So if they're higher educated and if we can train them, that's great.

1650

Mr Caplan: I have one question, please. Very short. I would just say that the college needs a critical mass of people to be able to offer the course.

Mr McDowell, the question I had for you was, you talked about training people and then Inco or Falconbridge is stealing them away. I think that's called poaching, when you're making that kind of investment. Two questions, very quickly. One, I'd be very interested to know what your wage rate is relative to the other company, because if you're competitive with them, I'm sure people would want to stay on with you. They've developed a loyalty with your company; you've invested a lot of time and money, they've invested a lot of time in your company and would want to stay with you. The second is, what do you think a business's responsibility is for training for young people, or for any worker, for that matter? I wonder if you could answer those questions.

Mr McDowell: Let me tell you this. I've been running a kindergarten school down there, because I got six children for many years. All the employees I hire, I've got to train them. So every morning I get up and I've got to go back to the kindergarten school and train them. It's a very simple answer: We train them, we pay them. We maybe pay \$2 an hour less than Inco, but the benefits at Inco — we have a health benefit plan and everything else. They figure there's more security going there, so they leave us and go there. That's the way it is.

Like I said, a guy comes in, we say, "So where does your father work?" He says, "He works at Inco." So he doesn't get a job. That's the simplest way. We've been burnt and I've paid the price. I'm just telling you the truth. That's what you want.

The Chair: Thank you very much for presentation this morning. It brings reality to the table. It's important.

CAMBRIAN COLLEGE

The Chair: At this point we have one final presentation this afternoon, Cambrian College. Good afternoon, gentlemen, and thank you for attending, at least for the last few minutes anyway. We've had a long day so if we're being a bit flippant, overlook that, please.

Mr Ivan Filion: We're quite comfortable with being flippant.

Dr Frank Marsh: Thank you. I just want to introduce myself. I'm Frank Marsh, president of Cambrian College, and Ivan Filion is the vice-president, academic. We will speak to Bill 55 from an educational perspective.

My first comment would be that Bill 55 is consistent with what is happening throughout this country in the apprenticeship reform system. Given that apprenticeship is one of the embedded national mobility labour systems that we have, it's important that all provinces review their legislation and bring it up to date to meet the needs of current society, so I commend you what you're doing here and suggest that it's timely and certainly needs to be done.

As you know, the focus in apprenticeship was always on-the-job learning, with some in-class learning. That was great in an industrial society when the input of labour was the prime advantage that companies and countries had. However, what's occurred in that period is that technology has led to the embedding of many of what I refer to as recursive processes or those things which were repeated into electromechanical processes. So what we have is a need for more high-end processes to be either human-controlled or human-performed. As a result of that, there's a need to focus clearly on the competence that's necessary upon entry to work, as opposed to the expectation that that will be developed in the workplace in the form of learning.

I should say as well that in making changes we should not lose sight of the importance of red seal as a true national certification system and a significant provision for labour mobility in this country, nor should we lose sight of the need for work-and-learn as a process certification, and you've embedded that in your act.

The shift of focus, however, is to competence and away from time constraints, time determinations. The movement to competence also pointed towards the direction that you've gone, which is to take things like wage rates and those types of ideas which can come under your labour laws out of apprenticeship and learning and embed them where necessary. It's a sea change, really, that you're about here, but it's a necessary one if we're going to provide competent learners.

What I want to impress upon you is the need, however, to establish mechanisms that lead to gaining and maintaining high-level skills, because that's what we really need in the country if we're going to meet the performance requirements to keep the economy moving. This will require, as you move to competence and an educationally driven upfront learning model, that we hear from our industries that are necessary with an investment in technology to ensure that skills can be maintained; the development of new occupational areas which you've proposed in terms of the expanding of the number of apprentices and, as well, more flexible learning options. I think these are the requirements of the new model that you propose, and in fact I see that they're embedded in the act and I commend you for it.

I want to pass it along to Ivan Filion now, who will speak more to other educational matters.

Mr Filion: For the past 10 or 15 years I've seen a number of apprentices come through Cambrian College, and I've had turmoil over certain issues of the restriction that the act had in the past. One that constantly got under my skin was the one of accessibility and the restricted methods and pathways to be able to obtain at least their in-school portion of education through block purchase. We did go to a little more flexibility and get into some day-release options, but by and large you had in Sudbury cases where there were a number of active apprentices in, for example, the motive power field who wanted to be able to do their training here in town and weren't permitted to do so. In fact, they were asked to go elsewhere and to displace for a number of weeks into other towns so that they could actually perform their in-school portion, when in their own town they had a college that was practically the size of a medium-sized college in the large, urban centres further south.

I applaud the idea of allowing more flexibility in terms of the in-school portions and having an act that will address the process of quality, as opposed to the recipes of quality. I think it's long overdue and most certainly necessary.

I'm going to jump to a few ideas here that I think are important. If you remember the trades updating initiative that occurred about five or six years ago, at least at our college, we used to take industrial electricians and people in the motive power field and give them some technical upgrading skills in the fields of, I don't know, micro-computer technology, computer technology and those other fields. When you look at where that training came from, it came from a set of programs that had never been subjected to the same type of regulatory bodies and regulatory procedures as was the apprenticeship training. It actually came from your post-secondary programs, the electronics engineering technology programs, the mechanical engineering technology program, the civil engineering technology programs, all of which were now providing the technical upgrading that was required from your apprentices.

Isn't that strange, because what you had was that the programs that weren't necessarily as tightly regulated in terms of their delivery mechanisms were the ones that were now providing the quality towards upgrading the skills of the people who came through the apprenticeship model, which demonstrated to me that, to a certain extent, the deregulation of the way apprentices necessarily are certified and qualified, or the pathways to certification — not that the standards are being affected, because that's going to be addressed through your committee structures and through your director of apprenticeship. But in fact to permit more pathways — for example, students can actually come through some engineering technician programs, maybe the civil engineering program, to be able to obtain some type of skills credentials in the area of carpentry or construction; you may have people who come through a mechanical engineering technical program and have some options for certification in the motive power industries — I think provides far more flexibility and far more accessi-

bility to education for future apprentices than there ever was in the past.

1700

We at Cambrian College have had a chance to work with some of the larger mining companies and are setting up some partnerships in training. You've probably heard before that some of the trades you've got out there can't necessarily be dealt with the same way as all the trades in terms of training requirements. There are some trades that are not as fast-moving and as fast-paced as others. The ones you have in this part of Ontario are the industrial trades that are moving extremely rapidly.

The infusion of micro-computer technology embedded in micro-processors in much of the equipment that is now running in scoop trams, hole-bore drills, pulp and paper mills, batch processes — they're everywhere — requires people now to know not only the fundamentals of mechanics but a lot more about programming, about mass customization, about being able to take orders right from the clients and put them right on to the shop floor. Those are skills that we've never had to ask our apprentices to learn before, nor can we assume that one particular program fits all.

I'm trying to express to you that I have, personally, the deepest support for the reform in your act to be able to allow a greater variety of pathways to become qualified and skilled in the field of providing applied technical services to our corporations in northern Ontario.

There's one element, though, on which I would like to make a recommendation for your consideration. You are going to be setting up industry committees, right? This act proposes setting up industry committees to guide certain directions on how the training should be done, how certification should be done, entrance requirements, levels of skills and those types of issues. When I looked at your committee structure, you have employers in the groups of occupations and the employees setting those up. I don't see that you have any educators there. I'm concerned that if you're really looking at a partnership between education and workplace training, if you're going to putting some committees together, it would be useful to have some educators who can actually make sure that the education is bridged properly with the workplace training. That would be my first recommendation for you.

My second recommendation is that in the process of training you have to look at the outcome competencies and the verification that those outcome competencies are there. I'm going to toot my own horn as an educator. The educational system probably should take pride in that particular ability they have, the ability to set up the right instruments and set up the right process to assess as accurately as possible the performance and the achievements of various people to see whether or not learning has occurred. When they're doing their in-school portion, educators are quite involved in assessing the learning outcomes for the in-school portion. In fact, educators have been involved for a long time in terms of setting up, for example, the outcome competencies for the workplace portion.

What seems to be lacking is that there are very few educators or their institutions involved in the verification of the workplace competencies. I would suggest that there should somehow be links done between the educators and the verification of workplace competencies, the workplace outcomes, so that you have a consistent approach to the appraisal that's necessary for certification.

When I read some of the documentation that came forward in the act, I often hear the term "employer-based training." That's what the apprenticeship training was. In the industrial apprenticeships, workplace training is becoming much more equal with actual in-school training. The in-school training needs to be done far more aggressively and far more extensively than ever before, simply because the workplace in the industry is becoming more complex. I'm sure you've heard from a number of industries saying that to take someone off the street can often be more dangerous and more liable than to take someone who has a good skill set, especially when they're going to be around some very expensive and delicate equipment. Therefore, the in-school portion becomes far more crucial, to the point where companies in northern Ontario have told me that they won't even consider taking somebody for an apprenticeship unless they have some post-secondary education. We've done surveys of over 200 people in northern Ontario in the heavy equipment and industry fields. About 90% of them would prefer to take on as an apprentice somebody who has post-secondary education.

The extent of the in-school portion is far more important now than it ever was. I hope that someday, instead of speaking about employer-based training, we speak about partner-based training that would include education and industry working together. It is the blend of the two that's going to make very good apprentices in the future.

The Chair: Thanks for your comments. There's about one minute left if anybody's pressed to have a question. It's quite an interesting presentation, actually. Keep it brief, please. No statements, just a question.

Mr Caplan: Thank you, gentlemen, for your comments. I'm curious about one thing. I'm not intimately familiar with Cambrian College, but I do know that the community colleges around Ontario have had their operating grants reduced. I do know that the collective agreement that was recently signed is not being funded by the Ministry of Education. Given those kinds of constraints, how do you feel that you'll be able to compete with private trainers who are going to have a profit incentive and be able to give very short-term training on specific skill sets to people? They'll be in direct competition with you. I'm very curious about this. Where are the capital dollars going to come from, where are the operating dollars going to come from so that Cambrian College will be able offer that kind of program as opposed to somebody else who is going to be offering it right next door or down the street?

Mr Filion: Sure, I can take that one fairly easily. It is also asked that in the apprenticeship training there be bridges between the apprenticeship and eventual post-secondary models towards leading people to the technician fields and the technology fields and moving on to lifelong

earning, correct? People would like as many long-term lifelong learning opportunities for every citizen of Ontario as possible. This government does support, and I hope it does still support, having good training infrastructure that is publicly driven for the purpose of maintaining focus on social well-being as opposed to profit. There's an advantage to that in the long term as long as it's done efficiently.

In our model, the way we've looked at it at Cambrian College, we don't think it's going to be a very difficult selling job to tell a student coming out of high school that to take two years of college education that can lead to a technician diploma, and that at the same time can lead to pathways into apprenticeship, is a good investment in their lives that may last another 30 or 40 years of education.

As a public educator, the quick and dirty may be nice in certain cases, but there's a volume of people out there that will require more than just that. If we have capital investment for our regular two-year programs, and we roll off from our two-year programs much of the training that's going to be necessary for upfront training for future apprentices, then what you're doing is actually capitalizing for two particular objectives. One is the apprenticeship training and the other is your regular post-secondary technical schools. By doing that type of investment concurrently, we can have a very good system well endowed with the facilities that are necessary to do training in both fields.

Mr Lessard: One of the things you mentioned in your presentation is that we shouldn't lose sight of the importance of the red seal certification program. What we've been hearing is that Bill 55 may undermine that program. I wondered how you would respond to that.

Dr Marsh: My sense is that as long as you build in the notion of certification that's similar and equivalent across the country, which has been through the directors of apprenticeship and board chairs meeting on a regular basis, along with the comparability of standards that's done, you won't lose red seal certification. As I indicated to you up front, this is not just an Ontario happening at this point in time. You're probably somewhere in the middle of the process that's occurred in other jurisdictions and continues to occur throughout. The apprenticeship bills have been updated, the certification value of maintaining a work-and-learn process, but putting more learning up front if you want and maintaining work, you won't at all lose your certification requirements.

I fail to see how that could occur, unless you made so many fundamental changes to this that you were out of step with the rest of the standards of the country. I don't think that's anybody's educational work or legislative objective.

Mr Filion: There are other areas that are not necessarily driven by the apprenticeship model that are also looking at certification. If you look at most of the technologies,

there are national certification and accreditation models out there whereby they can actually certify your programs and recognize them across the province. There are also sectoral councils that are driven by the feds in the area of automotive and electronics. The one I'm involved with in environmental sciences, for example, is the Canadian Council for Human Resources in the Environment Industry. They are looking at certification bodies to ensure that you do have a certain degree of standards and of recognition of those standards, which is the problem. It's not that the people don't necessarily have the standards; it's that often they're not being recognized in other provinces. It should be driven from a social policy point of view as opposed to an educational standards domain.

Mr Smith: Over the course of the last three days we've had various deputants suggest that Bill 55 will actually deter young people from pursuing careers in skilled trades. Do you believe that to be true?

Dr Marsh: My sense is that if it's allowed to unfold in such a way that learning can occur up front; that there are good links with industry in terms of both setting the delivery models as well as setting the opportunities in the workplace for students; and that there is the development of levels of competence as you work through the program, then I fail to see how that would occur. I would suggest to you that unless you make this kind of move which embeds more learning in a better-prepared worker prior to going to the workforce, you will find that the opposite will occur.

Mr Filion: I could give you a few examples of what happened at Cambrian College that would actually concur with what Dr Marsh is saying. We offered, a couple of years ago, a program in hard-rock miner training because Inco was saying that they required a series of hard-rock miners. In the deal, Inco would provide our graduates with, I forget exactly, either 8 or 12 weeks of employed work placement. This was not a program that was funded by the Ministry of Education and Training. It was basically funded entirely by the user. The cost of this 16-week program was \$3,200. We advertised the program and they knew that it was advertised with a potential real job at the end. In the first few days we had 1,700 requests for the 25 seats we had available. By the time we were done, we had 500 people willing to pay their 50 bucks up front to be considered.

What's going to decide whether or not youths go and pursue apprenticeships is if there are real jobs and real opportunities in apprenticeships. It has nothing to do with whether or not we fall back on a very tightly regulated, prescriptive learning style.

The Chair: Thank you. That concludes the hearings here in Sudbury.

The committee adjourned at 1714.

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Standing committee on general government

Apprenticeship and
Certification Act, 1998

Comité permanent des affaires gouvernementales

Loi de 1998 sur l'apprentissage
et la reconnaissance
professionnelle



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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Thursday 19 November 1998

Jeudi 19 novembre 1998

The committee met at 0900 in the Westin Hotel, Ottawa.

APPRENTICESHIP AND
CERTIFICATION ACT, 1998LOI DE 1998 SUR L'APPRENTISSAGE
ET LA RECONNAISSANCE
PROFESSIONNELLE

Consideration of Bill 55, An Act to revise the Trades Qualification and Apprenticeship Act / Projet de loi 55, Loi révisant la Loi sur la qualification professionnelle et l'apprentissage des gens de métier.

The Chair (Mr John O'Toole): This meeting of the general government committee is dealing with Bill 55. I'm pleased to be here in Ottawa today to conclude the fourth day of hearings on this bill. We are still missing one of the caucuses so we will attend for a couple of minutes to make sure we give them a fair chance to be here.

BOILERMAKER INDUSTRY

The Chair: The first presenters this morning are the Boilermaker Contractors' Association. I see they're well prepared here. With your permission I guess we can start. Welcome, gentlemen. Thank you very much for joining us this morning. If you could introduce yourselves, you have 20 minutes to use as you wish.

Mr Bruce Ashton: Thank you very much. First of all, I'd like to apologize. We had a PowerPoint presentation prepared for you to review today and it was my understanding that there was going to be a projector here for us to use. I understand that that wasn't done, so the presentation we're going to give you is going to be a little less colourful than the one we first had put together. We'll proceed, noting that the papers you'll be looking at are in black and white and some of the graphs won't show up as well as we first had hoped.

What I'd like to do first is draw your attention to the binder in front of you with the blue front cover. Inside that is the PowerPoint presentation in black and white. If you could open that up, I'd like you to visualize that that's on big screen on that wall, and every time I hit the button, there are flashes of light that comes out and you'll see these graphs just jump out at you. Well, we'll try to do that. What I could do is just click, and every time I click

you'll go into another mode. If you could open it up and follow along, we'll try to make this as quick as we can so that we can leave some time for questions at the end. My colleagues indicated that the questions were certainly as important as or more important than the presentation.

I'm Bruce Ashton and I'm the boilermaker national coordinator. My background is I'm a tradesperson, tradesman first and foremost. I have four trade qualifications, two with red seals. My first trade is welding, my second trade is boilermaking. To my far right is John Schel, the president of the Boilermakers Contractors' Association. He's a lawyer from Ontario and he represents about 250 contractors that work across Canada in the boilermaker industry. To my immediate left is Ron Groulx, the local area apprenticeship and training coordinator. Ron is a tradesperson in Ontario and he has a qualification as a boilermaker and works with apprentices every day in regard to the boilermaker apprenticeship.

I will preface my statement by saying I'm from away and I know sometimes that raises the profile a little bit but —

Mr Bernard Grandmaître (Ottawa East): Kanata, right?

Mr Ashton: From British Columbia. What I'd like to say, though, is that I try to give a national perspective to apprenticeship through this presentation. I'm not indicating anything, I hope, that will make it difficult to understand, but I'm going to try to emphasize the national perspective.

If you could just visualize the screen flashing now, we have the presentation outline and, first of all, we're going to talk about what the boilermakers do and have been doing over the past five years to raise the profile of apprenticeship and gain national standards. We'll then talk about the industry concerns as they relate to Bill 55 and then about skill sets and how they relate to the national standards for apprenticeship and the boilermaker trades, then we'll end it, of course, with recommendations and conclusions.

Boilermakers work primarily on heavy industrial construction and maintenance throughout Canada. We build and maintain power plants, fertilizer plants, chemical plants, oil refineries, heavy oil plants, gas processing plants and both nuclear and thermal generating plants, so our primary focus for work across Canada is on the heavy industrial project. We have no residential and we have no light industrial projects.

The next are pictures, albeit not very clear, but pictures if you again try to see them flashing up on the screen. The first one is a chemical plant somewhere around Sarnia, the next is a nuclear power plant and the third is an oil refinery with some work being done. That crane in the centre is the type of crane that we may come in contact with. The crane is a 1,000-tonne capacity crane, and it's picking up something that's about 250 tonnes over the top of an operating oil refinery, replacing components inside one of the major reactors in that oil refinery. At that particular time, there may be hundreds of individuals working underneath that load. Also, you're working in an environment in which sour gas may be involved. What I'm trying to portray is that the boilermaker works in a very dangerous environment.

We're a little different in organizational structure. Our international union, the International Brotherhood of Boilermakers, and the Boilermaker Contractors' Association have national agreements, so we are aligned a little differently than some of the local area agreements. We have worked together for 40 years on labour relations issues and labour issues. We have a national construction agreement, including the province of Ontario. We have national apprenticeship and training trust funds and we have local area trust funds. Those trust funds support the work of the apprenticeship division and they also support the work of the ongoing upgrading and updating of boilermaker and welder journeypersons across Canada.

Our particular concern with Bill 55 is the skill sets concept as outlined in the bill. We believe that the skill sets concept will make it impossible for the boilermaker industry to manage its labour market issues. The two other presentations that we have handed out to you, the labour market study and the apprenticeship study, indicate that we have been working for over five years to improve the apprenticeship delivery for the boilermaker trade across Canada. One of our major initiatives is to try to standardize the apprenticeship programs throughout Canada. Those are for your review and information, and if you need additional copies, we can make them available. I might say too that if any of you want to have the PowerPoint presentation in colour, if you give me your e-mail addresses, I'll download it so you can actually have it for your records.

Boilermakers have to be mobile to earn a living. If we're not mobile, we can't continue to earn the money that is needed to support our families. At one time or another, a person who is a boilermaker in Ontario must be able to travel to other parts of Canada to keep working. As I indicated earlier, health and safety for the boilermaker and the general public is a prime concern. Those two issues alone drove us to try to gain national standards for our apprenticeship training for boilermakers.

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The next slide, as I click it up in my PowerPoint presentation, talks about health and safety. I'm not going to go through those issues. It's there to indicate just how dangerous the work environment that the boilermakers work in is. The most recent accident was the Irving

refinery in Saint John where there was a major explosion. It wasn't a boilermaker who was killed there, but we have individuals working in that environment and some 300 boilermakers went in for over a month to repair the damage caused by that one explosion. All of you will remember the Bhopal disaster in India. Those are the types of projects that we work on. The contact with the chemical industry, the refining industry and the nuclear industry is extremely dangerous.

Again, I'll just reinforce that in 1993 we started work on getting national standards for boilermaker apprentices in Canada. At that time there was no standardized in-school delivery for the boilermaker apprenticeship. In-school delivery ranged from 33 weeks in British Columbia to 18 weeks in Nova Scotia and New Brunswick. I am sure if you were to review the rest of the trades across Canada, you would find them very similar. With the exception of the red seal exam and the occupational analysis, there is very little sequencing for apprenticeship in-school training in Canada.

One of our major initiatives was to try to straighten that anomaly out, to allow our apprentices to travel from one province to another province to seek employment. We started that committee work by reviewing the occupational analysis. I don't know if you have seen this document, but I'll leave it here for you. It's just an example of every trade that is in the interprovincial standards program or the red seal trades having an occupational analysis. This outlines the tasks, subtasks and groups of tasks that boilermakers have to know to be broad-brush-trained boilermakers. I'll leave that for your information.

The next thing we did is produce something called the common core outline, and that's this document here. The common core outline talks about what the boilermaker needs to know during the in-school training. From the common core outline — this all follows back to the occupational analysis — instructor guides were developed. These are the guides for the instructors who deliver the in-school training.

The instructor guides are now in use in every province in Canada, including Ontario, so that right now the boilermaker, because of the work we started in 1993, has sequencing for apprenticeship in-school training across Canada. A boilermaker apprentice in Ontario will now be able to go to Alberta and continue in-school training there or vice versa. It's very important for us, because our work moves from one area to another.

The other piece of work that we just finished this year is this document called the Labour Market Study. Many trades have been looking at this work, and we have spent the last two and a half years reviewing our position with regard to labour force development in Canada on a national basis. It was a very extensive piece of work which the industry supported with financial contributions and in-time contributions. The written survey was given to all 250 contractors, and 6,000 questionnaires were sent out to boilermakers. We had regional focus groups, we had owner-client interviews, and the findings of that work are in that document for you to review.

The industry found that there is going to be an increase in demand for boilermaker tradespersons in the future. The other thing that the boilermaker survey and the labour market study outlined was that the age of the boilermaker in the system today is increasing every year. I'm talking about the average age group. On page 10, if you look at the bottom chart there — I call it the double camel chart — it talks about me when I started and me now at 54 years of age. Our average age is around 45.

I just got the indicator to move on. On page 11 we're talking about the increase of hours and the mobility requirements, and John Schel will take over for me right now.

Mr John Schel: My name is John Schel and I'm the president of the Boilermaker Contractors' Association. Bruce is slightly wrong. We represent now well in excess of 300 contractors coast to coast.

The purpose of my quick presentation this morning is to bring you up to speed as to what's actually going on from a contractor's perspective. I'm not trying to pick on any province per se. Those who know me know that for my whole working life I and my family have lived here in Ontario.

The bullets on page 11, the mobility requirements — so I don't get cut off, I'm going to get to the bottom and then get into the details of how I get to that point.

First of all, as Bruce mentioned, the boilermakers as well as other trades have to be very mobile in the construction industry. Our workloads are constantly changing across Canada. The concern we have is that when we run into shortages, and we are going to have shortages for the coming 10 years in Alberta — that happens to be the province at this moment that's had a tremendous amount of work — we have historically looked at other provinces, and we will look at other provinces. Based on representations we've made and studies we've done together with the Alberta government and the Construction Owners Association of Alberta, we are hopeful of getting tradesmen from other provinces who are fully qualified tradespeople. Our hope is that Ontario will have fully qualified people.

From an Alberta contractor's perspective — and I don't mean this in any way as a threat, but a contractor is in business to make money. In Alberta the rules are very straightforward, as has been expressed to us by the Alberta government, and they're quite proper. Right now we are putting as many people into the apprenticeship program as we can. The Alberta government has already said they only want as many apprentices to go through the process as will be able to work in the trade they apprenticed in as a career. Hence, for any excess work we need done, we're looking at tradespeople from other provinces. From a contractor's perspective, they will take the qualified people from those provinces in the order that they are qualified. Hence, if the changes in the legislation are such that Ontario decides it does not wish to get into fully qualified people — again, it's not a threat; it's just the reality of it — an Alberta contractor who is trying to make money needs to have the most productive, skilled people

he can get. I don't believe Ontario wants to be at the bottom of the list. Let me explain why.

At the last bullet on page 11 I mention that, based on \$2-million projects, there is right now a total inventory of \$50 billion. On the next page you'll see that inventory listing. It's updated every three months. It's on the Internet under the Alberta government — I can give you the address if you require it — and I've got an extra copy with me if you so wish. Let's go to the second slide, page 12 — again I apologize that we don't have the PowerPoint presentation.

Let's look at 1992. This shows the actual man-hours for the boilermaker trade. For every trade they go up and down. In 1992, if you look at man-hours, Ontario was the leader in the industry for boilermakers in the country, 1.7 million man-hours. It was also the leader in 1994 and 1995. In 1996, 1997, and I can tell you in 1998, it's going to be Alberta. That is what's happening. Ontario has been the leader; right now Alberta is starting to take over.

If we turn to page 13, what I've tried to do on the top is a little comparison, but you can't really see it because of the black and white. It shows the actual man-hours per month for 1997 and 1998 in Alberta and Ontario. The one you can't really read is Ontario, which is comparable to the numbers you saw on the previous slide.

Let me explain how the process works. If we go to the bottom of the two graphs — the numbers there don't mean too much — this is what happens during the year. It repeats just about every year, and they may be off by a month or so as to where the peaks are. If we took an example of 400,000, if you look at the bottom graph, and drew a line across and made the assumption, based on what the Alberta government is going to do, they'll be able to provide 400,000 man-hours a month for tradesmen of a particular trade. This graph shows you that until March there will be unemployed Albertans in Alberta, because the line is below 400,000. But when you get into April and essentially all the way through to November, there will be full employment for Albertans. They won't work all year round, but for that period there will be full employment.

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What we have a problem with is that all that area above 400,000 will have to be filled by tradesmen from other provinces. Based on our analysis with the Alberta Construction Association and the Construction Owners Association of Alberta, we have concluded that at some point in the future we will not have enough Canadians. We've already been making representation to HRDC to allow us to bring up Americans once we run out of Canadian tradesmen. In fact, I'll be participating in a conference call at 1 o'clock this afternoon for that very purpose. What we're looking for as far as Americans are concerned, if I can use this example — 800,000 for a period of one month — we're going to run out of people. We need some other people, and we hope to get them out of the United States. In the case of boilermakers, we've already set up a database of 6,000 boilermakers that's now sitting in Chicago for our use.

Gentlemen, I know we're brief, so I'll shut it off right now and turn it back to Bruce.

The Chair: There's about a minute left.

Mr Ashton: I'll be very quick. Back to page 15. We believe Bill 55 and the skill sets concept will lead to isolation for boilermaker tradesmen in Ontario and will lead to restriction of mobility.

I'd like to go to page 16 and leave you with these questions that may leave some food for thought. Would you like your son or daughter to work in the boilermaker industry without receiving quality, broad-brushed training involving all aspects of the trade? Second, would you like to live downwind of a plant that was built or maintained by boilermakers without certification in a broad-brushed trade? Last, but not least, would you like to answer questions from Ontario boilermakers and other tradespersons when they are not able to travel across Canada to obtain work to feed their families?

The last thing I'll leave you with is that I'm very proud of being a tradesperson, and I resent anybody indicating that I'm a set of skills, because I'm not. I'm a tradesperson. I think anybody else would resent that also.

With that, I'd like to thank all of you very much for listening to our presentation. If we have any time for questions, we'd certainly answer them.

The Chair: Thank you very much for your presentation this morning. You have gone over the time just briefly. There are a number of presenters here today, and from time to time you can take the occasion to speak to members informally.

PROVINCIAL ADVISORY COMMITTEE FOR THE TRADE OF HOISTING ENGINEERS

The Chair: The next group this morning is the provincial advisory committee of hoisting engineers. Good morning, gentlemen, and welcome. If you'd like to introduce yourselves for the members and for the Hansard record, you have 20 minutes to use as you wish.

Mr Jack Sherman: Thank you for this opportunity for the provincial advisory committee for the trade of hoisting engineers to express our input on Bill 55.

My name is Jack Sherman, chairperson of the Crane Rental Association of Canada. Although I am not a member of the PAC, I've been asked by them to present this brief as a show of support by our association. On my right is Michael Gallagher, chairman of the PAC for the hoisting engineers. On my left is Gerry Hughes, the administrator of the training centre for the Operating Engineers Training Institute of Ontario, located in Morrisburg.

The provincial advisory committee for the trade of hoisting engineers is a labour-management advisory committee formed in accordance with section 3 of the Trades Qualification Act, which reads:

"The minister may appoint a provincial advisory committee in any trade or group of trades to advise the minis-

ter in matters relating to the establishment and operation of apprentice training programs and trade qualifications."

The members of the provincial advisory committee represent diverse areas of the hoisting engineer trade. We come from across the province and include the following representatives: J. Anderson, International Union of Operating Engineers, local 793, Hamilton; V. Brennan, Amherst Cranes, Scarborough; D. Cherubin, Niagara Steel, St Catharines; Piero Cherubini, Ministry of Education and Training in Toronto; A. Delulis, Resform Construction, Bolton; J. Dowdall, International Union of Operating Engineers local 793, Toronto; B. Foran, Dofasco Inc, Hamilton; Mike Gallagher, chairperson, International Union of Operating Engineers, local 793, Toronto; K. Grimes, SET Construction, Nepean; P. Mecke, Ministry of Education and Training; L. Mullin, BFC Utilities, Scarborough; M. Quinn, International Union of Operating Engineers, local 793, Sudbury; L. Roy, Ministry of Education and Training, Cornwall; A. Young, Ellis-Don, London.

The PAC's mandate, as set out by the training division of the Ministry of Education and Training, is to provide a structured forum for discussion on training issues affecting our trade. The PAC's primary role and responsibilities include the promotion of training, advising on the quality of training and contributing to technical expertise. More specifically, the PAC is responsible for advising on the following issues: accreditation and certification standards including interprovincial standards i.e. the red seal program; current and projected skilled labour requirements; economic trends as they affect industry; qualification criteria — age, education standing for entrance to apprentice training programs; duration and format of apprenticeship training programs; curriculum content; the need for new training programs; the need for revision of established programs; appropriate delivery models; relevance of training; improving access to apprenticeship; recruitment strategies; the availability and suitability of equipment; the availability of instructors in innovative high-tech trade areas; the quality of training; feedback from recently certified apprentices; trends and emerging technologies; and the development of strategies to accommodate both growth and recession periods in our economy as they relate to training issues.

In fulfilling our mandate role, the PAC recently endorsed comprehensive on-the-job training standards and on-the-job learning outcomes for mobile cranes. The training standards and learning outcomes were validated by industry experts and highlight without question the compulsory nature of the hoisting engineers trade.

In 1979, working with the PAC, the hoisting engineers trade was formally recognized under the Trades Qualification and Apprenticeship Act, as it was known then. To become fully licensed today requires 6,000 hours of apprenticeship for mobile crane branch 1 operators and 4,000 hours for tower crane branch 3 operators. This is required to give new hoisting engineers the fundamental skills to perform competently in a trade that will see them in control of machinery worth hundreds of thousands of

dollars, which if not operated skilfully has the real potential to cause loss of life and damage to property greater than any other trade.

Having described our background, it is obvious that the PAC has a very direct, and indeed obvious, interest in apprenticeship reform in Ontario. While our PAC supports the need to update the TQAA, we are very concerned that the TQAA is in fact being repealed through Bill 55 and is being replaced with a new scheme that does not guarantee the standards of quality, safety and training that exist under the current trades qualification system.

The impact of craning accidents cannot be understated. The general public and workers, other than those on a construction site, are also exposed to the hazards of crane accidents. Sadly, despite our ongoing efforts to promote safety, there are many examples where crane accidents have spilled over from construction sites into public areas. Some of these accidents, with monumental impact on lives and property, have been documented in a recent issue of *CraneWorks* magazine published in the United States. A copy of *CraneWorks* is available to you as a handout. The accident report section of this magazine is, unfortunately, filled with examples of accidents involving cranes.

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Since the implementation of compulsory certification and apprenticeship training programs in Ontario, the overall trend of all nine compulsory certified construction trades has seen a dramatic decline in construction accidents and fatalities. In fact, government statistics provided by Statistics Canada, the Workplace Safety and Insurance Board, as well as the Construction Safety Association of Ontario, confirm that Ontario currently enjoys the lowest incidence of lost-time injuries and fatalities on construction sites in all the provinces.

Under the existing regulatory regime and through the co-operative effort of government, safety agencies, PACs, labour and management, we believe Ontario has developed the most highly skilled, well-trained, safe and competitive trades people in the country, indeed the world. The government's establishment of a protective regulatory environment has enabled PACs and safety agencies such as the CSAO to develop training programs to enhance a safe workplace.

Using the hoisting engineers trade as an example, former Minister of Education the Honourable Bette Stephenson established the hoisting engineers as a compulsory certified trade in 1979. Prior to the introduction of compulsory certification, statistics revealed that a crane-related death occurred every 11 weeks in Ontario. As a direct consequence of the establishment of hoisting engineers as a certified trade, the high occurrence of crane accidents leading to injury and fatality began, and continues, to dramatically decline.

Recent data through the CSAO in their research on crane and rigging fatalities in Ontario fully supports this dramatic decline. In short, the statistics show that the death rate due to cranes and rigging in the period 1979 to 1996 has dropped by 77.3% from the period 1969 to 1978. This improvement, says the CSAO, is attributed to

mandatory operator training programs instituted in 1979 for journeymen and in 1982 for all new operators.

We believe that the current system of compulsory certification of crane operators, together with the current government regulatory and advisory regime, has produced highly skilled and competitive tradespeople. This has resulted in Ontario being recognized as one of the safest environments for hoisting in the world.

In recognition of the unequalled skills, training, safety and competitiveness of the workers we represent, our employers and crane operators regularly work in other countries operating cranes and other equipment on construction and industrial sites. Employers abroad recognize the importance of well-trained tradespeople, and other countries are not able to supply the highly skilled and well-rounded tradespeople that Ontario currently enjoys, due in large part to the existing regulatory system and training standards, which our PAC is responsible for reviewing on an ongoing basis.

In the September 1998 issue of *International Crane*, published in London, England, an article was published on the impressive safety record in Ontario due to the province's compulsory crane apprenticeship program and the specific training provided at the Operating Engineers Training Institute of Ontario, a training delivery agent recognized by the Ministry of Education and Training.

The existing regulatory environment, including the PAC structure, the related training programs and the trades apprenticeship system, has unquestionably been effective in creating skilled and well-trained tradespeople and ensuring safety on the job. The existing regime has created a highly skilled, versatile and adaptable workforce of tradespeople that has met and continues to meet the needs of the construction employers in the province. Moreover, it has drastically reduced injuries and has saved the lives of workers in Ontario. In turn, it has eliminated the burden on families who would otherwise have suffered the loss or injury of loved ones, it has led to considerable savings in Workplace Safety and Insurance Board premiums to employers, and reduced the costs to the provincial government in compensation payouts.

Given the overwhelming success and effectiveness of the existing system, we are deeply concerned about the radical changes being proposed in Bill 55. Looking at the provisions of Bill 55, we note that the purpose clause refers only to the economic aspects of the apprenticeship, and in particular the competitiveness of Ontario businesses. In the purpose clause there is absolutely no mention of training, health and safety or the development of highly skilled tradespeople. This is entirely inconsistent with our role as a PAC. It is apparent that in drafting the new legislation the government has overlooked the obvious interrelationship between training, the maintenance and development of highly skilled trades, health and safety, and economic development. This fundamental flaw underlies the apprenticeship reforms in Bill 55.

We are also very concerned about the potential danger to the health and safety of construction workers and the public should the new system of restricted skill sets, as

opposed to the current system of compulsory trade certification, be put in place. Not only will this create health and safety problems, but we are concerned about the economic impact, particularly the long-term economic impact, of this radical shift in the approach to training workers in Ontario. Rather than the well-rounded, skilled tradespeople who are trained in a full trade, Ontario will be left with restricted, de-skilled workers, unable to adapt to technological change and the changing demands and requirements of work that we will certainly face as we move into the next century.

Quite simply, employers in the construction industry do not need workers trained in only one aspect of a trade. We need broadly trained, versatile workers who are able to adapt to new methods, technology and skills. The de-skilling of construction workers makes absolutely no sense. It doesn't serve the interests of the employers, workers or the economy at large. Over time, the result of the proposed changes in Bill 55 will inevitably be fewer employment opportunities for young workers, resulting in unemployment, and a shortage of highly skilled, versatile construction workers which will drastically reduce the competitiveness of businesses in Ontario.

Another specific area of Bill 55 that causes our PAC considerable trepidation is the substantial changes it would make to the employee-employer relationship which exists under the current apprenticeship system. Under the current system, apprenticeship is directly connected to employment, thereby ensuring that training is relevant to the needs of employers while ensuring that the apprentices are paid a fair wage while they are training.

Bill 55 replaces the current relationship with one of sponsorship. Sponsorship alters the mutually beneficial system which has been in place for years. The sponsorship concept, which does not require an employee relationship, likely removes the protection of the Industrial Standards Act for the apprentice. Unfortunately this would also remove the apprentice wage, leaving the apprentice in an uncertain financial position. The apprentice is no longer viewed as a worker in training but becomes simply cheap, low-skilled labour. This can only lead to the loss of potential apprentices. Furthermore, absent the requirement for an employment relationship, it places the concept of workplace-based training in jeopardy.

The long-term repercussions of Bill 55 on training and apprenticeship in Ontario is also of significant concern to us. In order to remain competitive in the international market, employers and training delivery agents such as the Operating Engineers Training Institute of Ontario must train apprentices on the most current and technologically advanced equipment. This equipment is substantial in cost. The proposed reforms contained in Bill 55 will lead to a pool of less skilled operators who will not possess the skills needed to train on these advanced pieces of machinery. This, in turn, will deter companies from making future investments in new technology in Ontario. Rather, companies will make the investment in other provinces or countries which possess highly skilled tradespeople who are competent and versatile enough to adapt to changing

technology. It is not difficult to realize that in the long term the competitiveness of the Ontario worker, and therefore Ontario businesses, will be jeopardized.

The foregoing highlights just some of the major deficiencies in Bill 55. Quite simply, Bill 55 in its present form is not good for the construction industry and is not good for the province of Ontario. It doesn't serve the interests of young workers, employers or the general public, and will undoubtedly negatively impact the safety and efficiency of construction sites in Ontario. The costs of this legislation, both economic and in real human terms, will be substantial and will only increase over time.

We urge this committee, for the safety of workers and indeed the public, to continue the very successful compulsory certification system. We can tell you that this provincial advisory committee is prepared to continue to work with this government's Ministry of Education and Training to build on the successes that we have so far accomplished.

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The recommendations we make are:

(1) A requirement that the minister shall establish PACs for each certified trade and that the PACs shall be empowered to do the following: recommend compulsory designation using criteria set in legislation; set standards for ratios; set standards for and approve training delivery agents; set minimum entry standards; set criteria for the issuance of licences, letters of permission and certificates; and develop curriculum.

(2) That the purpose clause must specifically reference the importance of training in a complete trade, and that the benefits of apprenticeship training include health and safety, consumer safety and environmental protection.

(3) That "restricted skill set" not be certified as separate from a certified trade.

(4) That the term "workplace-based training" be defined as training that occurs within an employer-employee contractual relationship.

(5) That apprenticeship remain a contractual relationship between the apprentice and the employer.

(6) That the term "certified trade" be defined and included in Bill 55.

The Chair: Thank you very much for your presentation. One caucus will have time to ask one question. Beginning with the Liberal caucus, Mr Caplan.

Mr David Caplan (Oriole): Thank you very much for your presentation. It was certainly very comprehensive. One presenter that we heard earlier made the statement: "Apprentices don't create jobs; jobs create apprentices." When you talk about the fact that there's no longer going to be a tie-in between employers and apprentices — there's now some kind of sponsorship arrangement — I really wonder how people who are going to be trained are going to get employment. Are there going to be jobs for them, or are they just going to be trained to do certain skills and not have anything to do?

Mr Michael Gallagher: We have previously put forward a brief regarding process for apprenticeship reform that dealt directly with your question. Basically, we can-

not create jobs for apprentices. The economy is the only way that jobs are going to be created — the construction industry or through attrition and retirement of operators that are out there. The average age of operators now is such that we need, over the next five years, to put approximately 220 new licensed crane operators into the system. We know that by keeping track of the average age of the operators. I think it's very important that we make sure we service the industry, that we don't oversupply or undersupply the number of apprentices.

I know from talking to Mr Sherman and others that a number of other jurisdictions that don't have compulsory certification or mandatory training are now also suffering horrible shortages of operators where they don't have the regulations in place. They have no system to replace them or to keep an eye on the industry. We definitely have to keep track of both ends.

LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 527

The Chair: The next presenters would be the Labourers' International Union of North America, local 527. Good morning, gentlemen. If you would give your names for the members of the committee and for the Hansard record, and you have 20 minutes to use as you wish.

Mr Berardino Carrozzi: I will be very short. I won't take 20 minutes. I have a written proposal. I will circulate it.

My name is Berardino Carrozzi. I'm the business manager of local 527, Ottawa. On my right, the member circulating my submission, is Gerry Mullen, who is the secretary-treasurer. I'm here representing 2,000 workers, members of the Labourers' International Union of North America, local 527 in the Ottawa region. We are part of the 30,000 men and women of LIUNA in Ontario who, when this bill is enacted into law, will finally receive recognition for their skills and craft. Also, our employer partners will be able to replenish their workforce through an apprenticeship system that is both flexible and responsive to their needs.

LIUNA local 527 supports Bill 55 because it allows for the expansion of apprenticeship through the creation and recognition of new trades and occupations and addresses the reality of the construction industry workforce of today and into the future. In general, this bill recognizes the changes to the workplace, and in particular the construction sector, both in the human resource requirement of the industry and in the way work is organized.

There are, however, some changes we would like to see in the main body of the bill, and I have listed them herein. In the regulations, either under "Minister" or "Lieutenant Governor in Council," we would like to see a specific reference in the main body of the bill to the appointment of local apprenticeship committees and a definition of their duties and functions.

The minister should consider a special provision and/or section of Bill 55 to govern the construction industry,

particularly the unique nature of the current training structures and the different sectors of the construction industry. We believe this bill should address and make provisions for the existing co-operative efforts of unions and employers in the construction industry.

Section 4, industry committees: In the composition and structure of industry committees, we would like to see some reference to unions and employers and the voluntary partnerships, training trust funds, which they have established to direct human resource development in the construction industry. We would also ask that Bill 55 address the process for creating new crafts and occupations, defining more clearly the role of industry and, in particular, the timelines for such a process.

This bill will give our members, Ontario workers, the right to work in the province of Quebec. Our members perform 95% of the infrastructure work, distribution of gas, placing of conduits for communication and hydro, the removal of toxic material etc. The same workers will perform various tasks for the same employer, from traffic controller to form setter-form builder to cement finisher and operate equipment and so on. This bill will recognize them as a trade and will permit them to work in Quebec without being harassed and fined by the CCQ inspector.

In closing, I would like to thank the minister for addressing the apprenticeship issue and the committee for their time.

The Chair: Thank you very much for your presentation. That leaves considerable time for questions. I'll start with the NDP caucus.

Mr Wayne Lessard (Windsor-Riverside): Thanks very much for your presentation. If you've been following the committee's deliberations over the last few days, you probably recognize that most people who are in the construction trades are opposed to Bill 55 and that the Labourers seem to be the only ones who agree with the direction that's set out in the bill. My question is, do you think it's necessary to completely get rid of the structure that we have in the Trades Qualification and Apprenticeship Act in order to accommodate the interests of one group of unionized workers?

Mr Carrozzi: First of all, I don't think we're in the position of other trades, to keep their status and so on. Right now, the present system is not giving anything to us. We are a trade, and we're performing a lot of tasks in the construction industry, not limited to the ones I mentioned in my brief, and we want some kind of recognition.

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The construction industry has changed. In the past, going back maybe 40 or 50 years, we used to have a general contractor who would employ a group of workers with specific qualifications working together. The construction industry has changed. Right now you have specialized contractors. If you look at the infrastructure in Ontario — for example, road building, sewers, tunnels and so on, just to name a few — we do most of the work, together with the operators union and the Teamsters union. We do carpentry; we do finishing; we do rigging; we do everything. We have no recognition for that kind of work.

We're not saying, "Don't recognize their trade." We're saying: "Recognize us. We want some kind of recognition." I think we deserve it too. We represent a large group of the construction industry workers. As for the present bill, if you're looking at the issue of the other trades opposing Bill 55, the present legislation doesn't do anything for us or for the unorganized workers. Therefore, it's limited in scope in their view. If you look at Bill 55 in its entirety, I think it addresses those items.

Mr Lessard: One of the issues you referred to is giving your workers the opportunity to work in Quebec. I'm from the Windsor area myself, so I'm not familiar with a lot of the problems that you have here in the Ottawa Valley with respect to workers going into Quebec and Quebec workers coming to work in Ontario. Can you explain to me how this bill would give your workers the right to be able to work in Quebec?

Mr Carrozzi: OK. First, you have to understand that local 527 is strategically situated in eastern Ontario. We represent workers from Mattawa all the way to the south-eastern part of Ontario. There is an agreement between Ontario and Quebec, a working agreement which has been amended in various years, by which the Quebec government recognizes those crafts. There is a card issued by the Ministry of Labour in Ontario, and that would allow us to go and work over there. Right now our workers are forbidden because they're not recognized as a trade in Ontario.

We do finishing, we do carpentry, as I was mentioning, we do tunnelling work, we do pipeline work and so on. Every time we cross the border, our members are fined because they don't have a competency card. Even though it's not a trade which is recognized in Quebec, the other trades can perform that kind of work but we can't, and we are the major group of workers. We have a lot employed in the Ottawa area who do cross back and forth, because we're right on the border. It affects us very much.

Mr Carl DeFaria (Mississauga East): Mr Carrozzi, thank you very much for your presentation. I can understand your position on this bill because in my previous life as a lawyer I represented many members of the Labourers' International Union, local 183 in Toronto. I'm very familiar with union training programs at local 183. I would like to ask you, have you had the opportunity to discuss your position with Tony Bionesio from local 183, and does he share your views on this bill?

Mr Carrozzi: My view is shared by the Labourers in Ontario, part of the provincial advisory committee, the local advisory committee, together with local 183 and all the Labourers locals in Ontario.

Mr DeFaria: And you all share —

Mr Carrozzi: We all share the same concern and the same principle, yes.

Mr Steve Gilchrist (Scarborough East): I appreciate your coming before us here this morning, Mr Carrozzi. I recall one gentleman the first morning saying we wouldn't find one person who supported the bill, so I appreciate the ability to put that to rest. We've heard some great things

over the last three days, which certainly are giving us pause to reflect on a number of sections in the act.

I'd like to focus again on where you're taking us vis-à-vis this issue in Quebec. I'm wondering whether there is perhaps the first opportunity to look at skill sets in a different light vis-à-vis interprovincial activities. Is that part of what you're talking about here, that you need to be recognized as being able to do certain of the tasks that you do here in Ontario when you cross the border?

Mr Carrozzi: Yes. I can give you a very simple example which is going on now and has been going on for the last couple of years. We have some interprovincial bridges being built. On the Ontario side, when that work is done, we do everything, all the tasks, the machinery and so on; we do finishing, operation of other machinery. When we're facing the situation where it's an interprovincial bridge between Ontario and Quebec, we have to stop halfway unless we can come up with an understanding between the CCQ or the employer whereby we work on a pro rata basis and we allow some of the Quebec workers to come here and our workers to work in Quebec.

This is very frustrating. Our members perform their work, and I don't think we should be stopped because we're not recognized in Ontario as a trade. If we're recognized as a trade, we're going to be allowed to work in Quebec, because Quebec and Ontario signed an agreement whereby they respect each other's trade qualifications.

Mr Gilchrist: Help me out here. You cover so many things. When you talk about being recognized as a trade, wouldn't that be very difficult for your members, to get certification that they are carpenters, drain layers, all sorts of things, or are you looking at specific tasks for specific people that would be certified?

Mr Carrozzi: There are certain specific tasks which require special certification. However, we have what we call general construction core skills, which apply to all labourers, and this relates to work safety, the ability to read blueprints and so on. Then we have road builders, another trade completely, asphalt raking, maintaining safe equipment for installation, catch basin, pipe laying and so on. In ICI, we represent cement finishers. Cement finishing is doing all the levelling, curing, cutting and repairing of concrete, and we supply weatherproofing material and so on. We don't do the actual cut and rework, because we're not permitted. We do it from time to time, but we're not permitted by legislation. But we do all the stripping in the original form, shoring of buildings and so on.

On every construction, we do the installation and finishing of precast product. We have an accreditation from the province. We do the welding, the precast installation and the fabrication of precast for shops.

We do bridgework. You probably are familiar with the 407. It has all been built by members; 416 and 417 has all been built by local 527 members, with the exception, as I mentioned before, of the operators. But we do the finishing, we do the excavation before building and everything else, even on some occasions road placing and so on.

In residential, we have all kinds of workers there. We do many foundations, specializing in form, framing and so on.

In demolition, we have a provincial agreement which covers all employees, including crane operators and all kinds of machinery. We have a collective agreement with the Toronto Demolition Contractors Association which in scope is a provincial collective agreement with the Labourers.

When we go to concrete, drain and water main, we do the pipe laying, we do the levelling of the pipe and so on. If you go to mainline, pipeline and distribution for energy, gas and so on, we do our conduit. The electrician may come later on and put in the wiring. But we do all that kind of work. That's why we need some of these tasks specialized. To be a fully qualified skilled labourer, you would need all those tasks, but not all trades or all members will necessarily have to have that qualification.

The Chair: Thank you very much, Mr Gilchrist, for that question. For the Liberal caucus, Mr Grandmaître.

Mr Grandmaître: I'd like to talk about the mobility issue, because, as you know, in the Ottawa-Carleton area it's very important for us when more than 30% of our labourers are out of work and close to 2,000 Quebecers are crossing our bridges every morning.

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You mentioned that Ontario had an agreement with Quebec, and that agreement was signed back in 1986, if I'm not mistaken, and a second one was signed in 1992. Those agreements were never respected. I remember that when the present government was in opposition they were going to close the bridges. Nothing has been done. Our workers are still without work, they can't cross the bridges and they pay fines.

I have a small contractor in my riding who has been fined \$42,000 over the last four years. What have you done to pressure the Ontario government to have an understanding with Quebec?

Mr Carrozzi: If you have to go back to the history between Ontario and Quebec, we'll have to go back way before 1996. We had free mobility before, members of the Labourers union. For your information, we have a local in Quebec, which is local 527A, the same officers and members of the same organization are working back and forth. The problem we are facing is that if you're strictly a general labourer and you are a construction worker in Ontario, you pay \$100 in accordance with the agreement, you go to the CCQ and register that you're a member of one of the affiliated organizations in Quebec, and you will be allowed to work in Quebec.

What has happened is that the present agreement between Ontario and Quebec is discriminating more against the Quebec workers, because some of our members, construction workers in Ontario, are entitled to pay that \$100 and go to work in Quebec. There are members in Ontario who are from Quebec, born in Quebec. Because they are not residents of Quebec, they will never be able to get a card with the present agreement.

We did have problems. We corrected them. Our members were fined. We went to court many times. We opposed the regulation. But you have to understand that the problem we're facing was also created by the trades in Quebec, because they want to have their own jurisdiction, they don't want anybody from the Ontario side to work over there. We did fight the situation, and our local union was successful. However, we're facing the problem with this craft we're trying to have recognized. When they go there, they can either not perform the work or they're fined.

The Chair: Thank you very much for your presentation this morning.

OTTAWA AND DISTRICT LABOUR COUNCIL

The Chair: With that, the next presenter is the Ottawa and District Labour Council.

Mr Sean McKenny: That was just an incredible presentation by LIUNA. If Mr Carrozzi were Pinocchio, his nose would be about 16 feet long right now.

Good morning. My name is Sean McKenny. As the executive secretary of the Ottawa and District Labour Council, I'm here today on behalf of approximately 40,000 men and women representing over 90 labour organizations in the Ottawa area.

Before I commence, I would first like to welcome the committee to our community. It was only a little over a month ago that the Conservative members of the committee were in Ottawa to participate in their party's policy convention. It was also at that time, October 17, when this community, with full support from our local regional government, endorsed and participated in a day of protest.

I am currently a member of the United Brotherhood of Carpenters and Joiners of America, local 93 in Ottawa. I am a licensed carpenter, having attained that designate through an apprenticeship program that commenced in January 1978. As well, I am the labour co-chair of the Ottawa-Carleton training board. I do hope that this government, along with other committee members, is aware of the 25 training boards currently established throughout the province. I've helped develop the current occupational analysis for the trade of carpentry and provided direct input into the carpenters' interprovincial exam.

In any society, the need for economic development activity is paramount in ensuring the success of a country, of a province or of a smaller community. This is not something new. What becomes part of that process is the availability of a well-trained, knowledgeable, skilled workforce. To omit this part of the activity is to forgo the notion that economic development is needed to ensure the well-being and prosperous growth of a country, a province or a community.

A government, any government, must ensure that the level of knowledge, the skill and the training an individual is to receive towards a chosen career path is of the highest calibre. That direction must be taken not only in an attempt to ensure the individual that their knowledge base

or skill acquired ranks second to none, but also to ensure that all are aware that if investing or participating in economic development activity — growth — there is no doubt as to the availability or the level of knowledge and skill base of the workforce in that specific community.

Bill 55 does absolutely nothing in its supposed attempt to make better an apprenticeship system which, although as time has shown may not be perfect, unarguably still ranks as one of the finest apprenticeship systems in the world.

The bill is nothing more than this government's attempt to regulate every aspect of apprenticeship at will. Rather than expanding and reinforcing specific areas of the current Trades Qualification and Apprenticeship Act, it drastically alters that legislation and, in doing so, reduces the current 12 pages to 8½.

It's this government's attempt to further extract from training, along with the \$1 billion already cut from elementary and secondary schools, with the proposed implementation of tuition fees. This government's argument or reason for implementing a tuition fee is that the federal government has pulled funding for apprenticeship training in Ontario. This is untrue and this government knows it.

With continued and ongoing discussion around the labour market development agreement with the federal government, this becomes part of that negotiation. It is not the fault of the apprentice that the province of Ontario and the government of Canada are having a difficult time because of their inability to get along. It is unfortunate that the apprentice pays the price while the two governments act more like the youth than the apprentice could potentially be.

It allows for an apprentice to become self-employed or part-time; we're still trying to get our heads around that. I don't need to waste the committee's time explaining that any apprenticeship system is based on the apprentice working alongside the journeyperson or mechanic as part of the learning process. While there is without question a need to develop other apprenticeable trades, the government must realize that thought must be put into the process. The government seems intent on allowing a designation to anyone who requests it.

As you are aware, of the current 67 regulated trades 48 are voluntary. This government must ensure that most, if not all, of the voluntary trades become mandatory. The bill does nothing to address this issue but rather concentrates on setting up a system that will develop into multi-skilling and a fragmentation of the current trades. Without doubt I realize that you have made LIUNA very happy. I understand Cosmo Mannella has already sent his Christmas party invitation out to Minister Johnson.

I referred earlier to the need in any apprenticeship system for the apprentice to work alongside the journeyperson. The bill's removal of ratios can only leave us once again scratching our heads in disbelief.

The government's purported commitment to youth through the overhaul of the existing trades qualification act is nowhere to be found. The comments by the government regarding OYAP and their belief that it will allow a

young person while in high school to learn, in part, a trade is realized through their total contribution in the Ottawa area of \$70,000 towards the program. The money is divided among three school boards. Some investment. But once again the government maintains they are committed to youth.

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Often labour is accused of finding fault with everything, of attacking government legislation simply for the purpose of attacking and offering no other mechanism or alternative. This is simply not true. For over two years labour has attempted to provide input to the process of apprenticeship reform. The government has not listened. They have not utilized the experience and knowledge of those within our ranks, choosing instead to initiate an almost opposite approach. This is truly unfortunate.

Although there are several other areas of Bill 55, such as restricted skill sets that I could address, others have done that over the last three days, and you will certainly hear more again throughout today. What I will do is again attempt to provide a constructive approach to apprenticeship reform by recommending the following.

Bill 55 must be scrapped in its entirety.

A provincial committee made up of government, business, labour and youth must be established to study the present trades qualification act and provide input that will be utilized in its entirety towards apprenticeship legislation.

The government must immediately undertake a process that will train the educators. No longer should a student in grade 3 or 4 be swayed if he or she truly wants to become a plumber or carpenter or a tradesperson in any apprenticeable trade. Often children are told that they can do better, if they have identified a trade as an occupation they are interested in.

As part of the current federal-provincial negotiations with respect to the labour market development agreement, the province must ensure that full funding of all apprenticeable trades be their mindset during the process.

I noted at the beginning of my presentation the need for economic development activity. Bill 55 in its present form will undoubtedly and unquestionably affect that activity, causing a negative effect on investors, owners, builders, tradespeople and youth. The skill level of all apprentices will diminish, causing supposedly licensed tradespeople to possess limited knowledge of a particular skill. Manufacturers will pay the price. Because of shoddy workmanship, homeowners will file claims with the Ontario new home warranty plan — this only if they meet the deadline to file; otherwise the homeowner will assume those costs.

Over the next several years there will undoubtedly be a shortage of skilled tradespeople throughout the country. This has already commenced in areas like Calgary. Ontario and the Ottawa community will without doubt soon start to experience a similar shortage. Effective apprenticeship legislation becomes paramount in ensuring our growth as a community, as a province, as a country.

A saying initiated by tradespeople has become a saying used in other segments of our society: Jack of all trades,

master of none. If the present bill ends up reaching third reading, I suggest that this term be used as the short form of the act.

The Chair: That leaves us about two minutes per caucus for questions and comments. I will start with the government caucus.

Mr Bruce Smith (Middlesex): I appreciate the perspective you bring, and obviously I suspect we would agree to disagree on a number of issues in your presentation. One of the significant motivations for having to look at a new funding mechanism for apprentices in this province is the genuine situation that \$42 million has been removed from Ontario with respect to the federal government's contribution to training in this province. That's a significant issue that we have to address. I recognize the point of view you presented and respect it.

The OYAP funding is a significant commitment. As we see funding in the training division up for training purposes, which includes OYAP, that will actually double the number of young people, from 1,000 to about 2,000, who will have the opportunity to participate in that program. I think those are significant things that the Ministry of Education and Training has undertaken and certainly need to be recognized.

We have heard obvious concern about changes to the legislation. Many have suggested that minor changes to the current legislation are necessary, that that would be the more appropriate route to take. Would you concur in that, or are you satisfied with the bill essentially as it is designed today?

Mr McKenny: I've just spent about 10 minutes saying that the bill is not a good bill, that it does more damage than good. The bill has to be scrapped; there's no other option.

I just want to hit on a couple of your other comments. I did recognize the provincial government in regard to funding for apprentices. I indicated to you that the government is suggesting that in fact there are no dollars available for apprenticeship. That's crap, because there are. The second thing in regard to OYAP is that if you're suggesting to me that in the Ottawa-Carleton community a \$23,000 contribution to a school board is a significant amount of money for the youth in this region, I guess you and I are just going to agree to disagree.

Mr Richard Patten (Ottawa Centre): We only have two minutes, so I'll be very quick. On the cost front, the present government has cut 40%, as you probably know, from the training and apprenticeship program. Based on documents we've seen that were sent between the government and the ministry, it looks like another \$10 million. Besides that, it's the only province that hasn't been able to negotiate an arrangement that would obviously release some resources that could be applied here.

Your prognosis is that there will be a shortage. The government is saying this will quadruple the number of apprentices who will be employed in the future, and that this will increase standards. In other words, they're saying the complete reverse of what you're saying. Given that they're not going to scrap the bill — I think we'd concur

that they probably should scrap it and start over again — what two or three specific areas should we look at for major amendment?

Mr McKenny: I don't want to drop the guard too much; I did indicate that the bill has to be scrapped in its entirety. However, the biggest thing in regard to the bill has to be the provincial advisory committees. At a minimum, total, absolute control has to be given to the provincial advisory committees as it pertains to their respective trades.

Interjection: We're proposing that amendment.

The Chair: For the NDP caucus, Mr Lessard.

Mr Lessard: Thank you very much for your presentation. One thing that I think we agree with is that this is flawed legislation that's the result of a flawed process. I agree with you that the bill should be shelved. There should be meaningful consultation with the people who are affected by it, because it's really taking the future out of a lot of trades.

One reason the government indicates for bringing forward these reforms, and I appreciate that you touched on it, is to try to deal with the issue of youth unemployment. The government's position is that if you deregulate labour markets, companies are going to provide more training and jobs. What's your response to that position?

Mr McKenny: It's ludicrous at best, but it exemplifies the current government we have.

One of the things the labour council had worked on to a degree with the Building and Construction Trades Council in this community was to work with what was then the Ottawa-Carleton Economic Development Corp. One of the selling features that the economic development corporation in this community was using as it attempted to lure Japanese investors to our community with the possibility of building a \$1-billion-plus chip-manufacturing plant was the skill level of all construction people in this community, because they are, frankly, just about the best.

That type of PowerPoint presentation was put to the Japanese through the Ottawa-Carleton Economic Development Corp because, as I mentioned about investment in the presentation, you truly have to have the best in regard to apprentices. It doesn't make any sense at all if you want to enter all kinds of youth into workfare-type programs, pay them \$6 an hour and call them apprentices. It's not good for the youth, because they're certainly not going to have a good feeling about themselves at the end of the day. And it certainly is not good for the employer or for the owner or investor.

The Chair: Thank you very much for your presentation.

It appears that the next presenter, Quality Network Cabling, is not here at the moment. I will call the next group.

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BUILDING AND CONSTRUCTION
TRADES COUNCIL
OF OTTAWA, HULL AND DISTRICT

The Chair: I would call next the building and construction trades council. Thank you very much for joining us this morning. If you could, for the members of the committee and Hansard, please give your name, you have 20 minutes.

Mr Paul Graveline: My name is Paul Graveline. On behalf of the Building and Construction Trades Council of Ottawa, Hull and District, I wish to thank you for the opportunity to voice our concerns with respect to Bill 55.

This council is comprised of 20 local unions representing 18 apprenticeable construction trades, with a combined membership of approximately 10,000 men and women within the eastern Ontario region. Our members reside and work throughout the vast geographic territory encompassing Cornwall to the southeast, west to the eastern boundary of Kingston, north to Mattawa and all areas in between.

Quality apprenticeship training is the lifeline of the construction workforce in Ontario. We in the eastern sector of the province do not have a large industrial construction base, and our members must periodically travel elsewhere in the province to find work in their respective trades when the mostly commercial and federal construction projects in this region dry up. Apprenticeship reform such as that contained in Bill 55 greatly affects this industry and its ability to continue turning out qualified men and women capable of working in all sectors of construction in each of the respective trades. This gives us great cause for concern.

The construction industry in Ontario is unique in that the men and women it employs must be thoroughly trained in all aspects of their particular trade, to ensure that public health, life and safety are not jeopardized during and after the construction process. The complexities of construction work today are such that with each successive year specifications are more rigid, and designs and materials more complex. New systems and materials demand proper installation techniques to work as they were designed, with energy efficiency and safety in mind. For these complicated materials and systems to work as designed, a highly skilled workforce is paramount.

The employer-employee relationship in this industry is built on trust and the assurance that a highly skilled and mobile workforce is readily available to build, alter and retrofit the facilities that we work, live and are educated in, from heavy manufacturing and mining-smelting and paper-making facilities to automotive plants. Also included are hospitals, schools, commercial high-rise office complexes, convention centres, high-rise apartment buildings and single-family dwellings. Each of these facilities has inherent differences that could not be built using a workforce that is anything less than fully qualified.

In an industry such as construction, which is cyclical and therefore somewhat transient in nature, an employer must be assured of a fully competent workforce when hiring workers he normally does not know. It is not uncommon to see many hundreds of tradespersons temporarily relocate across this province or country in an effort to find work. Due to the magnitude of some of these projects, it is not uncommon for employees to work with little or no direct supervision. Qualified workers are essential to the success of these projects.

The passage of Bill 55 in its present form would put an end to interprovincial mobility in construction, thereby putting Ontarians at a very serious disadvantage as skilled tradespersons from other provinces would be called upon to build and upgrade these complicated facilities.

Surely the authors of Bill 55 have not given due consideration to public health, life, safety and competency, otherwise this bill would not dictate such draconian changes. In its present form, Bill 55 would increase the cost of construction through the inefficiency of semi-skilled workers and the need for more workers on the payroll in an effort to match today's skilled and qualified worker.

In its present form, Bill 55 would greatly reduce the efficiency of smaller contractors who generally employ small numbers of qualified men and women capable of performing all aspects of their particular trade. Bill 55 would cause employers to hire many semi-skilled employees, none of whom would be competent enough to take a project from start to finish.

The government of Ontario's goal is to double the number of apprentices from 11,000 to 22,000 in an effort to create work for Ontario's youth. This cannot be done in the construction industry without reducing the current apprenticeship ratios and thereby displacing qualified and highly experienced journeypersons. The provincial advisory committees are continually monitoring the ratios within all trades. The Minister of Education appoints provincial advisory committee members because of their trade expertise. PACs are comprised of equal numbers of management and labour representatives, and together they are quite aware of labour requirements, both current and future, within this province. They must also consider the number of apprentices that can be properly trained under the supervision of one journeyperson. Labour requirements have dropped dramatically over the past decade due to automation, technical advances and recession. Now is not the time to introduce more apprentices into the construction industry.

In its present form, Bill 55 would fool the youth of Ontario into believing there is a living to be made as a semi-skilled tradesperson with a minimum of education. Bill 55 would also remove reference to current wage scales for apprentices. This will no doubt lead to lower wages for apprentices whose skill sets are limited during their early periods of learning. This in itself will prove disheartening for our youth and will not encourage bright, well-educated young people into the trades.

Although we are not opposed to the formation of new trades in other industries, we must be concerned with the status of construction trades in Ontario with the passage of Bill 55.

The minister states that although the current system of apprenticeship has served some sectors well, he speaks of the high quality of training in the construction industry. The minister states that one message was repeated time and time again during consultation with apprenticeship partners: "We must move on." The only construction industry voice quoted by the minister in this speech was Mr Cosmo Mannella of the Labourers' International Union of North America. I wish to point out that the labourers are not apprenticeship partners. They do not represent apprentices in construction. Apprentices in construction are represented by the current recognized trades. Perhaps the minister should have asked apprentice representatives from these trades for their opinions on how better to serve apprentices in Ontario.

Under Bill 55, apprentices will be trained only in specific skill sets within a trade. This would lead to workers no longer being qualified tradespersons but rather technicians with partial trade skills. This would lead to workers attempting to perform jobs in which no training has been received and thereby jeopardizing the health, life and safety of both workers and the public.

In its present form, Bill 55 will drastically alter the process by which apprentices learn a trade. This legislation will fragment trades to the point that workers will possess only certain skill sets. Apprentices will be task-oriented as opposed to trade-oriented.

Under the current legislation, all that is really missing is enforcement of the current regulations. Time and time again, we're discovering non-certified and non-registered workers attempting to perform work that in many cases is compulsory certified. It has become apparent that the current government of Ontario does not consider this a serious problem. Due to the lack of enforcement by the Ministry of Labour, we have had to resort to laying criminal charges against employers who hire illegal workers to perform compulsory certified work. To date, we have been successful in obtaining convictions.

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Over time, this industry has dramatically improved its safety record and has become more efficient and cost-effective due to the continuing education of skilled workers. Trade certification is only step one in the process. Continuous skills upgrading by the organized sector assures a workforce that remains fully qualified. The present apprenticeship education system in Ontario has seen new course curriculum developed in most construction trades while others are currently being rewritten, all this in an effort to keep abreast of technological change within the industry.

The construction industry has done very well with the existing apprenticeship system. Our current apprentices, after completion of their respective programs, are fully qualified in all aspects of their trade. They are among the highest-skilled tradespersons in the country and are

respected for their skill and ability wherever they may travel to seek employment.

The minister states that the system's regulations are too rigid to meet the needs of our competitive economy. This may well be fact in some of our industries, but the construction industry cannot be held responsible for this situation as it has done extremely well from a production and quality of workmanship point of view. We are currently among the world leaders in our expertise, skill and ability. The only time our employers lose their competitiveness is when certain unscrupulous employers hire non-registered or non-certified workers at lower-than-industry wages to attempt work that is covered in the various regs. This eventually leads to increased costs to the consumer through shoddy workmanship. This situation could easily be resolved with enforcement of the existing regulations, as I have already mentioned.

It may be that within the industrial and agricultural sectors, apprenticeship would be beneficial to workers, but we urge you to leave the present construction sector system intact; it does not need fixing.

The PACs must play a stronger role in decision-making and policy setting over matters that affect our sector. Allow them the authority to set curriculum, training standards and examinations and to ensure that training also reflects a national standard. They would set ratios, wage rate percentages and standards for the delivery of training by training delivery agents. The PACs would be tasked with setting policy in these matters as the industry changes with time and technology.

The PACs would set guidelines for local apprenticeship committees to follow. There must be a clear set of guidelines to determine compulsory certification, and once this is established, then the PAC would determine whether a particular trade meets the criteria for "compulsory" designation.

I have excerpts from the media kit of June 25, 1998, Facts about apprenticeship training, Ministry of Education and Training.

Bill 55 would "expand apprenticeship training to new trades:

"The current act does not deal with occupations with common skill sets;

"Where there are common skill sets within more than one skilled occupation, then those skills may be performed by people certified to work in any of those occupations."

This is nothing short of trade fragmentation. This section of the bill would allow for the development of a new trade to perform any of these common or generic skills which today are an integral part of each trade.

Bill 55 also states with respect to certified trades, "Under the current regulation anyone working in a trade must be a registered apprentice or hold a certificate of qualification in that trade."

Pending legislation contained in Bill 55 says that certain skill sets may be designated as "restricted" based on clear criteria. This bill would require anyone in an occupation with restricted skill sets to be either a registered apprentice or a worker certified to perform the skill. This

would lead to tremendous inefficiencies for the employer. Attempting to maintain continuity throughout a project would be difficult, if not impossible, with semi-skilled workers performing certain tasks and leaving the restricted skill set tasks for the certified worker to complete.

Bill 55: "Updating legislation to match the needs...of the 1990s" currently "does not allow part-time or contract workers to become apprentices;

"The bill would allow contract and part-time workers to become apprentices."

This will lead to major problems in worker supervision and quality control. You can no longer ensure that health, life and safety issues are recognized and addressed. Who will provide on-the-job training to these workers? How successful would it be to have qualified employees of apprentice-employers/owners telling their bosses how to properly install an item where cost may be a major factor?

Bill 55: "Industry, not government, sets age and education standards;

"The act determines that the minimum age of an apprentice is 16. The minimum education requirement of grade 10 is set out in a general regulation;

"The new bill would set 16 years as the minimum age to sign a training agreement."

We say that today's ever-increasing technical environment virtually dictates a higher academic background prior to entering an apprenticeship. In nearly all instances, the organized sector of construction, through their joint training programs, sets a grade 12 entry requirement as the minimum of education, as well as mandatory night school attendance by their apprentices. The grade 10 minimum should not be removed from the act unless it is to be replaced with a higher standard.

All construction industry trades should be considered for compulsory designation due to the hazardous nature of construction. What works in a bakeshop certainly will not work in the construction industry.

We have attempted to show by way of this brief how seriously apprenticeship will be affected if this bill is put through the House in its present form. Wholesale changes such as those contained in Bill 55 were obviously written without the input of those currently immersed in apprenticeship training in the construction industry.

The construction industry has long been a benchmark for apprenticeship training in Ontario and therefore must be included in any proposal to alter or amend the current system.

The government-industry working committee, comprised of representatives from all four sectors as motive power, industrial, service and construction, recently wrote to the minister and denounced the introduction of restricted skill sets as detrimental to apprenticeship training in Ontario. This from a committee given the task of developing criteria for restricted skill sets, and yet it still appears in the text of Bill 55. The committee urged the minister to delay the passage of Bill 55 as it would be detrimental to existing trades in Ontario.

I would just like to back up. The government-industry working committee was not all four sectors. It was the construction sector.

Prior to closing, I wish to add that although this brief was prepared and presented on behalf of the Building and Construction Trades Council of Ottawa, Hull and District, it also has received full endorsement from the following employer groups and local training committee: the Electrical Contractors Association of Ontario, the Ontario Erectors Association Inc, the joint local apprenticeship committee of the electrical trade, and the walls and ceilings apprenticeship fund.

In closing, we would urge the minister to open dialogue with industry experts from all four sectors so as to ascertain what may be required in this effort to improve our apprenticeship and certification process in Ontario. We trust that these observations and comments will be taken seriously by the minister before irreparable damage is done to apprenticeship in Ontario.

Thank you for this opportunity to speak. We look forward to continuing dialogue on this most serious matter.

The Chair: Thank you very much for your presentation, which leaves us really about just under two minutes for the Liberal caucus. It's their rotation.

Mr Grandmaître: I agree with your presentation, I would say, 98%, except I'd like to take you back to the top of page 3: "The passage of" this bill "in its present form would put an end to interprovincial mobility in construction...." Does that mean you're satisfied with the present set-up?

Mr Graveline: No, I'm not, but under the present system the certificates of qualification in Ontario, as they are under the current apprenticeship system, are recognized across the country, including Quebec. If you hold a valid C of Q —

Mr Grandmaître: If, if.

Mr Graveline: If you do. Our apprentices, after completion of their term, generally do. What we are saying is that under the new system, people with limited skill sets, as opposed to a complete trade, would not be invited to other provinces to do the work. They would not be qualified to do the work.

Mr Grandmaître: But this bill wouldn't guarantee that an Ontarian would obtain his green card to work in Quebec.

Mr Graveline: No, it does not.

The Chair: Thank you very much for your presentation here this morning.

1040

INTERNATIONAL BROTHERHOOD OF PAINTERS AND ALLIED TRADES, LOCAL 114

The Chair: We call the next presenters, the International Brotherhood of Painters and Allied Trades training centre. Good morning, sir.

Mr Bill Hicks: Good morning. There's been a slight change, if you look at the cover page. You've heard from our training centre I guess a couple of times, so this is a little different presentation this morning from us.

I come from the Kingston area. My name is Bill Hicks. I'm a qualified tradesperson in the painter-decorator trade. I've worked in the construction industry in one capacity or another since the spring of 1968, so I've got 30 years, 60,000 man-hours, in the construction business.

At present, I'm business representative, which I've only held for less than two years, and financial secretary of local 114, Kingston, of the International Brotherhood of Painters and Allied Trades. I'm also the chairperson for the Labour-Management Joint Health and Safety Committee (CSAO), Kingston. In addition, I am a committee member on the provincial advisory committee for painters and decorators. I am going to read a short brief and I'll be prepared to answer any questions the committee might have.

As I begin to read Bill 55, the explanatory note says, "The bill would replace the Trades Qualification and Apprenticeship Act." My question to the government of the day is, what is there to replace?

Working in the industry for 30 years with thousands of Ontario tradespersons, we have built the Ontario we know today. I agree we need to build and develop high standards in the delivery of the apprenticeship programs, and I will continue to work towards this.

Where it states, "The Lieutenant Governor...would have power to designate one or more skills as a restricted skill set," it scares me. It really does scare me. I'll try to give you an example, to elaborate a little bit. If I were working on a swing stage 200 feet in the air with a partner with little or no experience, that would be a dangerous situation for me. Training is one thing, but the experience and confidence are things a willing worker needs. To give you an example, I'll go on the swing stage with Tom; he's been doing it all the time. So working with a trained person gives the person who maybe hasn't been there before the opportunity to gain some experience.

Bill 55 does state it will regulate occupational skills through workplace apprenticeship programs that lead to formal certification. I have no argument there. We'll carry on. Let's go one step further and make it mandatory. That's basically what I wanted to say. Foremost, come up with a mechanism to enforce it. There is no enforcement within my trade at this present time. The underground economy is rampant with people trying to steal my work. Too many construction workers still get injured, and I have been involved with health and safety as a health and safety officer on large jobs. I have my core training as a health and safety officer. We still get too many injured workers in Ontario, yes, and we still have workers die in Ontario. We've had eight this year already. We don't need that.

The nature of our work requires proper training and also gaining experience with the diverse experienced tradespersons we work with each and every day. That is where we develop our skills, our abilities to work safely,

confident that we are going home each night to our families.

"Skill set," as defined in Bill 55, means one or more skills. The majority of construction workers are not rocket scientists. They are just workers taking years to develop the skills they require for their specific trades. The great thing of working in the trades is that you can learn something every day. If you've been at it for 30 years you can still learn something each and every day from another tradesperson who's been there longer and is more experienced than yourself.

I always related that in the beginning God said, "Let there be light." Let's thank him for all the electricians we have. In the beginning God said, "Let there be water." Now we have plumbers. In 1998 we have carpenters, boilermakers, sheet metal workers, painters, glaziers, operating engineers and many more skilled and very qualified tradespeople, and apprentices learning and gaining experience from those men and women.

Remember, this is 1998 and not the beginning. Our tools of the trade have become more sophisticated and complicated. Tradespeople are also methodologists. I don't even know if that's the proper, right word, but over the years we've had to come up with our own ways to do things, and lots of tradespeople do that if given the opportunity. I always go with the old story I heard one of the first times I was working in the trade: How was the paint roller developed? When I started in the trade 30 years ago, a lot of times they were still brushing these ceilings by hand with a seven-inch brush. Some guy invented the paint roller. Stakeholders have gained this ability to find more efficient ways through years of experience and to become more competitive. How will skill sets build better tradespeople?

In my industry alone, the changes in paint technology, equipment for application and removal — and we have to remove it too — over the last 30 years have been enormous. Again, experience with proper training has been the key. My teachers of the trade are now retired or deceased. I think there's only one still alive; the rest are deceased. The knowledge they left me will be lost under Bill 55. It will be a shame because even the ones they learned from are going to be leaving their skills behind.

I'll elaborate on this a bit. Being from Kingston — we're the limestone city of Ontario, right? — when those Scottish immigrants came to Canada and started laying those stones for some of the buildings in the city, they were very skilled tradesmen and they left those skills behind to a lot of younger people in the Kingston area who can still lay limestone block. Restoration and repointing have been going on for years now. If they hadn't learned that from the immigrants, from the Scottish people — most of them were Scottish in the Kingston area — that trade would never have come to Canada. Does the committee understand that the only job security as a tradesperson in the construction industry is experience?

Our relationship with our employers is the ability to get the job done. We're not there until we're going to get our Canada pension; we're there until the job is done, hope-

fully profitable for everybody concerned. The old saying is, "On time and under budget," right? If you haven't got the ability to do the job, they'll hire someone else: the end of your job security. Pride and dignity of the qualified tradesperson very seldom lets this happen. I've worked with a lot of fine men in my life.

In conclusion, on behalf of myself and the painters and apprentices in Ontario, I thank you for listening. Bill 55 is not the right approach to apprenticeship reform. The government of the day sees the need for reform; so do I. I've seen it most of my working career. I don't have all the answers and I guess you guys have heard quite a few this week. Compulsory trade designation would help; detailed study and improvements to the curriculum to 1998 standards; empower the PACs to do the standards; and enforce the above.

Apprentices cannot be used for cheap labour. They have to learn from experience and from the tradespeople with it.

The Chair: Thank you very much for your presentation this morning and for taking the time to share that with us. There is still time, I would say about three minutes per caucus, if we could respect that, starting with the NDP caucus.

Mr Gilles Bisson (Cochrane South): Thank you for presenting. You said in your presentation that as construction trades we're not a bunch of rocket scientists. I don't want you thinking for one second that the government is close to understanding rocket science. They're not rocket scientists either, because we can see in this bill that we probably are going a step in the wrong direction.

I want to ask you a question. I'm a tradesperson. I'm an electrician by trade. I went through the electrical apprenticeship training. I went here in Algonquin College, did my three stints at college in order to be an electrician. I understand, being an apprentice originally, that you think you know a lot of things when you start in the trade, but you find out just how little you know by the time you get licensed, because it's quite a complicated trade. I have been out of the trade for the better part of 10 years, by the good graces of the people of Cochrane South who elected me as their representative at the Legislature. If I had to go back in the trade and work as an underground electrician, I couldn't do it safely and I couldn't do it, quite frankly, to the standards that are needed in order to keep that equipment up.

That being the case, why in heck would this government want to put me in an unsafe condition, and put the equipment of the employer at risk from having people who are not qualified do the work? What's the logic?

Mr Hicks: Part of the logic is you would even put yourself at risk; you'd have to be more aware of it yourself. I don't know whether they understand the complete logic of it either.

There have been weaknesses, and in the trades, electricians, plumbers — as I mentioned, in the compulsory certified trades, the rest of us are called "mud trades." But on the job sites, we do get the respect from fellow tradespeople because of our skills. The logic, what I've been

saying right from the very beginning of my presentation, is the experience that we are all required to build, and you being out for 10 years, journeyman upgrading.

Mr Bisson: But I'm trying to figure out the logic to this, and the only conclusion I can come to is they are trying to devalue the trades so that it becomes cheaper for employers, who in the end really are not going to be any further ahead. When I look at what the PACs are saying, I hear what the trades unions are saying and I hear what the employers are saying across this committee, but also in my riding, the mining employers, they're not in favour of this bill either because they recognize that in the long term they're going to have less qualified people working in their workplaces, which in the end is not going to serve them. So what the hell is the logic to this?

Mr Hicks: I can't answer that question.

The Chair: For the government caucus, Mr Smith.

Mr Smith: Thank you for your presentation this morning. We have, as a committee, heard repeatedly and consistently the call for strengthened powers for the provincial advisory committees, and in fact you have called for the same in your presentation. I'd like to get a sense, as a member of a PAC yourself, where your comfort level would lie with respect to that particular issue in terms of the advisory issue versus other responsibilities granted to you, and where you would like to see that go.

Mr Hicks: I've just been on the PAC for this year, because as you know, PAC members change every three years. In the past I have noticed a lot of the stuff was really old, maybe 1950s, 1960s type of stuff. But if you look at the PACs, and I'm only going by the PAC I sit on, the employers are up-to-date employers; most of the members on the PAC are up-to-date, current construction workers or labour representatives who work in the industry. They are the ones who have the expertise to make these changes and to help because they are the ones who have the knowledge.

Mr Smith: The reason I'm asking this is because in the current legislation there's sort of a general statement about the roles and responsibilities of PACs. Bill 55 broadened that. Having said that, in some of our PACs from the period of 1990 to 1995, no appointments were being made, and some of them in fact didn't meet. So we have, from my own observation, a great cross-section in terms of where these groups are structurally and organizationally. Some are very much at the formative stages as an organization; others, quite frankly, are significantly well advanced as groups.

That's the challenge I have as I attempt to reconcile the recommendations or requests that groups are making. How do we bring some consistency to the role and function of the PAC? Do you have any thoughts on that at all?

Mr Hicks: I can see your concerns there because we had those same concerns since I've been involved more with the International Brotherhood of Painters and Allied Trades than in the past.

For about the last three or four years, through one of our other brothers, Bill Nichols, and a few other people such as John Maceroni, the PAC for painter-decorators in

Ontario has come a long way. We need more time. We just did our bylaw structure this summer. When we meet again this December, hopefully the bylaws will be passed.

We're getting prepared to do what we have to do. As you say, there were some gaps, there were some missing times, but we're trying to correct that as Ontario citizens.

Mr Smith: Thank you very much for your presentation.

The Chair: For the Liberal caucus, Mr Caplan.

Mr Caplan: I don't know if you had a chance, but every year the Provincial Auditor comes out with a report, and this year he commented on apprenticeship. I just want to quote his words to you. He said, "In order to improve apprenticeship program administration and results, the ministry should consider upgrading the level of education and skill required for entry into the programs." In your opinion, does Bill 55 follow the auditor's recommendation?

Mr Hicks: No.

Mr Caplan: Not even close?

Mr Hicks: Not even close.

Mr Caplan: I heard the parliamentary assistant speak a little bit about the role of the PACs. In the current act, it says provincial advisory councils have an advisory role "on all issues pertaining to apprenticeship." That seems pretty comprehensive to me. The current bill breaks it down into a number of areas, and it essentially boils down to, "to promote high standards" in training and apprenticeship training. That doesn't seem like a broadened definition to me. Does it seem broad to you?

Mr Hicks: No.

Mr Caplan: I have one more question for you. You talked an awful lot about skill sets. If the painting trade, the one that you happen to represent, were broken down into, for example, five skill sets and somebody goes ahead and gets qualifications in one of those particular areas, there is, I've been told, a cyclical nature to the kind of work that people do in the various trades. As the demand and supply changes and maybe diminishes, that person is going to have a pretty hard time finding work because they're only trained in one specific area.

The concern I have is that either they will be unemployed or they will pass themselves off to the public and to employers as being qualified in the whole trade. So I'm qualified to paint ceilings, but if there's no work doing that, I'm just going to call myself a painter and try to go out and do a job that I'm not qualified to do, at my own risk, at the risk of my co-workers, and at the public risk. Do you share that kind of concern?

Mr Hicks: Yes. You've said it pretty well, Mr Caplan, or they end up in the underground economy. I'm not saying the painters are the only ones in the underground economy, because there are lots. The gentleman before mentioned that to take the construction site from the ground up, like this hotel, if you're not an all-around tradesperson, how could you come here and do the electrical room down in the sub-basement, because it's usually the first room that has to be done, to the day they finally turn the lights on?

Mr Caplan: That leads to another really interesting question. If we dilute the standard and the quality of skilled tradespeople, say in the Ottawa-Carleton area, and a contractor needs somebody who's got that full range of skills, who's a qualified tradesperson in the whole area, and there aren't those people here in Ottawa-Carleton, they are going to come from another province, aren't they?

Mr Hicks: Or another city.

Mr Caplan: Or another city. They're going to come and take the jobs of people in this community because we don't have those people trained here. Would you agree with that?

Mr Hicks: I agree because I did the provincial courthouse right here on Elgin Street across the road in 1988. I think that's when I came here originally to start that job. It was in the specifications of the ministry of government services that the man who was going to be the supervisor of the painting on that job had to have 10 years' experience on jobs of that magnitude. The contractor I was working for could not find one in the Ottawa area.

The Chair: Your input has been very valued this morning. Thank you very much for coming forward.

Mr Hicks: Thank you very much, Mr Chair.

1100

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

The Chair: Just moving the agenda around a bit, with your indulgence I would call on the International Brotherhood of Electrical Workers, if they are in the room, to make a presentation. Good morning, gentlemen.

Mr Ken Scott: Good morning. Thank you for the time to allow us to present. We had written in to get on and were not, so it's going to be somewhat impromptu.

I'm Ken Scott, business manager of the International Brotherhood of Electrical Workers here in the Ottawa area. I represent people from Mattawa to the borders of Kingston, to the Quebec border, as well as people in the province of Quebec. Sitting to my left is my assistant, James Barry, and to my right is Jack Cooney from the united association.

Bill 55 moves away from the certification of trades to the certification of specific skill sets that can cross trade jurisdictions, meaning our members wouldn't be able to move across provincial or international borders to work; it would restrict them. The electrical trade wishes to facilitate mobility of its workforce. This will be difficult with Ontario certifying skill sets and the rest of the country looking at trades. The electrical trade believes that the full range of skills currently covered in the definition of the electrical trade are necessary to ensure quality work performed in a safe environment.

Bill 55 replaces compulsory trade certification with the concept of restrictive skill sets. The act states that individuals who are not certified in a particular skill set should not be performing this work. It also states that an authorized individual may perform a skill that is a part of a

restricted skill set even if the skill is also part of another restricted skill set or occupation that includes the restricted skill set.

The electrical trade feels that the trade should be considered in its entirety and not fragmented. If any part of a skill set is compulsory, the whole trade should be compulsory. The electrical trade believes that all designations within the trade should be compulsorily restricted. Fragmenting the trade and restricting only specific skill sets could lead to unqualified individuals performing dangerous work which could put the worker and the public at risk. There's an old saying: "Where do electricians go who don't work safely? There are none. They only make one mistake and they're gone." I'm sorry to say that I lost a member this year, at 37 years old, with two children and a wife. Whether it was a mistake or whether it was just one moment of lapse, he was electrocuted and the man is no longer with us.

The electrical trade feels that performing any specific aspect of electrical work requires a broad understanding of the electrical environment, to avoid dangerous situations. An individual certified in a particular restricted skill in the context of, for example, plumbing and then working on that same restricted skill set in an electrical context may be putting himself or herself and other workers in an unsafe situation.

Minimum two-year contracts for apprentices: Bill 55 eliminates the requirement for a minimum length of apprenticeship training. In the existing apprenticeship program, 80% to 90% of the training is on the job. These required hours spent on the job provide the apprentice with adequate time to be exposed to the full range of work in the electrical trade and to gain hands-on experience. The electrical trade feels this is a critical component of training in an area of work as complex as the electrical. The elimination of minimum hours will likely see apprentices completing the theoretical training but not spending sufficient time on the job gaining practical hands-on experience in real work situations. This will result in unqualified workers with little or no on-site experience; in addition to the safety and quality issues, these workers will likely be less productive on the job initially.

Minimum educational level for apprentices: Previously, electrical apprentices were required to have a minimum of grade 12 education. Bill 55 has eliminated the requirement of a minimum education level. It's presently at grade 10. The electrical trade feels that in order to fully comprehend the theoretical training in an electrical apprenticeship, the individual must possess basic skills obtained through secondary school. This is particularly true to reading comprehension and basic math. By eliminating the requirement for a minimum education, new apprentices may be unable to succeed at their apprenticeship training. This is a cost to the industry, to the taxpayer and to the individual apprentice who will now be required to pay for a portion of their training through tuition fees.

I have sat on the local apprenticeship committee in Ottawa since, I believe, 1984. We changed our basic requirement to grade 12 with the high level of math, and

science was helpful, because we found that the trade school apprentices without it were not able to pass. There was a high failure rate, and I'm pleased to say that now the failure rate has dropped considerably since we have instituted the grade 12 provision. We are definitely against lowering the requirement for entering the trade; it should go up to grade 12.

Bill 55 eliminates legislated ratios that in the past provided the basis for enforcing proper ratios of apprentices to journeypersons. The electrical trade feels the role of the journeyperson as a trainer and mentor is critical to producing a qualified journeyperson. The elimination of legislated ratios opens the door to apprentices working on the job with insufficient supervision as well the use of apprentices to perform work for which they are not fully trained.

Bill 55 has eliminated many aspects of apprenticeship that were previously included, and as such, enforceable by the government. The electrical trade sees a continuing role for government in legislating aspects of the trade and providing adequate enforcement of the act. The electrical trade identified many aspects of apprenticeship that should be industry-controlled but recognized that self-regulation was difficult without the legislative backing.

Bill 55 has made a provision for a committee for any occupation or group of occupations. The role of the committee is to develop and revise apprenticeship programs, to promote higher standards in the delivery of apprenticeship, to promote apprenticeship as a method of acquiring skills, to consider recommendations from employers, apprentices and other persons in the occupation or group of occupations and to perform other functions as assigned by the minister or the director.

The electrical trade feels that the industry should play a stronger leadership role in apprenticeship through local and provincial trade committees. Who better to advise the government on trades than the people who are directly involved with them and who have been involved with them over the years in apprenticeship? Bill 55 makes provision for provincial committees, but the role appears similar to previous PACs, with the committee playing an advisory role to government. On the surface this does not appear to provide the scope of industry leadership the electrical trade envisioned. In addition, there does not appear to be a provision of local committees, which the electrical trade saw as playing a key role in indenturing, recruiting, monitoring of apprentices and maintaining records.

The tuition fees that Bill 55 makes provision for are being paid by apprentices. The electrical trade supports the notion of a cost-shared model for apprenticeship training. The tuition fees paid by the apprentice will have to be realistic and not create barriers to the recruitment of new apprentices.

Bill 55 does not speak to the importance of the relationship between the employer and the apprentice. The bill makes reference to apprenticeship as an individual who has entered into a registered training agreement in which the individual is to receive workplace-based training. The electrical trade feels strongly that the strength of the ap-

apprenticeship system begins and ends with the relationship between the employer and the apprentice. The relationship is stronger than that implied by the notion of workplace-based training. The importance of the on-the-job component of apprenticeship and the role of the employer should be strengthened in the legislation to ensure the apprentice gains the on-site experience required.

I would just like to touch somewhat on the mobility issue, which seems to be a major issue with a lot of the people in this area. I have been in the electrical trade since September 1966. I have worked on both sides of this border. I presently have no trouble getting any apprentices or journeymen to work in Quebec. The province of Quebec recognizes skilled workers. The labourers have right now a union in Quebec. Quebec recognizes skilled trades. That why the labourers are having problems getting people over there to work; they're not skilled workers. I support Quebec in that matter. There are some things they do that I do not fully agree with; however, having said that, I have never had a problem getting a person to work in Quebec.

It is somewhat unfair in the transfer of people here, because we have no enforcement. Quebec has excellent enforcement. I can tell you that right next door here in the Rideau Centre, every night there's a Quebec contractor using two journeymen and 12 labourers changing lights. Do you think that's safe? Wait till somebody gets killed. I hope it's not one of your children or your nephew or niece or whoever it may be. I certainly hope that nobody gets killed. But that is happening and enforcement is a major problem. Mobility, to me or any skilled trade here, is not.

I don't know if you have anything to add. That's my presentation, and I thank you.

Mr James Barry: I think the main point I'd like to make is that I am a journeyman electrician. I'm very proud of my trade. I have a three-year diploma in marketing from Algonquin College. I'm very dedicated to my trade in the belief of union and non-union electricians. Bill 55 does not do anything for either sector. You see a lot of union people up here; it's very important to understand that we represent both sides in this.

There's one issue that seems to come up to me, just trying to realistically understand the writers of this entire, ludicrous bill. The main thing that comes to me is it's a work project, a workfare project to get youth employment. Apprenticeship is not the place to do that.

1110

I am currently in charge of hiring, with Ken Scott, in the office. The people we see coming into our office seeking employment are university graduates, engineers, electrical engineers, looking to get into an apprenticeship program in the electrical industry. I'll speak on behalf of the electrical industry. It's much the same in the other trades. It's very important for you people to understand that going backwards in a regressive situation is going to devastate the industry. The people you're going to be putting in who are 16 and 17 years old will not be able to get through the schooling that's set up with this apprenticeship system in Ontario. There's an excellent educa-

tional system set up. We have excellent teachers in the colleges.

What's going to happen is that these people are going to be in the industry for one or two years. They're not going to get through it. You're going to create what the Conservative government does not want. I don't understand what they want. The main thing is you're going to create an underground economy. You're going to have people two years into a five-year apprenticeship program who can't complete it. They will not be able to complete it.

Where are they going to go? Once you've started in a business or a trade, especially someone who works with their hands, they love to work with their hands. We're very passionate about our trades. When you take that away, when they won't be able to get through their educational requirements, they're going to still be in the system. They're going to be out there working in the underground economy, taking jobs from the qualified tradespeople and university graduates who we strongly want and promote.

The Chair: If that is your presentation, that will give us a couple of minutes of time per caucus.

Mr Smith: Thank you for your presentation this morning. I was interested in your comment with respect to tuition fees. I understood that you're not necessarily opposed to them provided they're reasonable. Given that the full cost would be approximately \$2,400, have you given any thought to what "reasonable" might be defined as?

Mr Scott: No, not directly. You're talking about a \$2,400 cost for each session of schooling as it presently is now, which they do three of?

Mr Smith: Yes.

Mr Scott: No, I haven't thought of a —

Mr Smith: OK. I asked a question of an electrician yesterday in Sudbury. I probably didn't frame it properly, so I'm going to give this one more shot. The electrician trade has requested that the government endorse programs for licensed electricians who want to acquire additional skills in the area of fibre optics and fire alarm installer, for example. The intent of Bill 55 is to recognize that type of request that's already being made by the industry. That is the purpose of the identification of the skill sets. You're not in agreement with how I'm interpreting what the industry is requesting and what we're hoping to achieve within this legislation.

Mr Scott: No, not at all. I see Bill 55 as dismantling a system that has worked excellently, at least in the last 32 years that I've been part of it. The skill sets that you refer to, we presently do. We have an education fund which we pay for out of our own pay package. We have, with the help of the HRDC from the federal government, put through probably \$300,000 — and I'm just taking a ballpark figure — for retraining. We don't see that the trade should be dismantled as it is. We feel that more upgrading is required. We do upgrading in fibre optics. We do upgrading in communication cabling. We do upgrading in fire alarm. We do upgrading in high voltage. There are all kinds of things. We are steadily training at our hall. There

are all kinds of safety courses. We do everything. Bill 55 is tearing down a system, not adding to it. I suggest that we should add to the skill sets that we presently have. I think very few areas aren't doing that.

Mr Smith: That's the point I'm trying to make and I'm obviously failing to do that again today. By the request the government has received, or the ministry for that matter, we're already recognizing a licensed electrician, but in fact that skill set is being built upon that already complete trade. But you're saying the language as presented in the bill is not leading you to that interpretation. That's what I'm getting from you today.

Mr Scott: The language in the bill is going to allow other people to come in and do a portion of our trade that we presently do under certification. I don't agree with that. I think it's wrong. That happens right now in the United States where you have, in some areas, persons limited to skill sets. We have people who go there to work, and the first thing they do is ask them to be a foreman because they know how to do one end of the job to the other, so they're much higher-skilled tradesmen.

The Chair: Next question, and we'll keep it brief because we're right at the wire now.

Mr Patten: Mr Scott, thank you for your presentation. One issue that concerns many people and certainly concerns us is the area of enforcement. You gave us a vivid example of the ratio of apprentices to journeymen. I think you mentioned — was it about 12 to one?

Mr Scott: That is not the present ratio as it stands right now, but that's what they are using.

Mr Patten: Exactly. That's my point. My point is that the enforcement isn't within this particular bill because it's under education and training. Enforcement is to be done by the Ministry of Labour at the moment.

Mr Scott: That's correct.

Mr Patten: If it cannot be done effectively now by the ministry because of major cuts that have taken place and fewer inspectors, and now we're talking about further deregulation, what's your prognosis for the future and do you have any concerns about that?

Mr Scott: I have grave concerns about it. If I was going to build a house, I'd wire it myself so I'd know that it was being done well. I don't know how anybody could sleep in a house knowing that it wasn't wired by a qualified person. It's just above me. I can't understand at all what they're trying to do with it.

Mr Bisson: Thank God we have journeymen. I'm an electrician by trade and I fear to think what would have happened if I had been left alone without a journeyman electrician on some of the jobs I did when I was an apprentice. I think some people would be at risk, quite frankly, and that's why we have the present system that we do.

The other issue you raise is — the parliamentary assistant says, "We're doing this so we can add skill sets to the trades." For example, I could get my electronic endorsement as an electrician, or fibre optics or whatever it might be. I would just say, before I get to the question, that we do that now. If you want something extra, there

are ways of doing it. We presently do it with an IBEW, the one love of my life that I didn't get to. I was a steel-worker, which I'm very proud of, but I would have liked to have been IBEW. It would have been the icing on the cake as an electrician.

They're saying they're doing this because they want to increase youth employment. It seems to me there are only two ways to do that if you're trying to do it in the trades sector. Either you de-skill the trades — what this is all about — so that basically we run to the lowest common denominator, or you support the employers by providing training allowances and beef up the community college system to make sure that we have the capacity to train tradespeople in the end. Which do you favour? Should we de-skill to create employment or should we try to support employers and support the community college system to train more journeymen electricians or whatever?

Mr Scott: I think the latter is definitely what we have to do. We have to support the employers. I can tell you that in the last round of negotiations the employers here, the local electrical contractors association, started an education fund out of their own pocket so they could upgrade the skills of their people who are working in the office and work in conjunction with us to set up courses to upgrade the skills of the journeymen and apprentices.

The Chair: Thank you very much for your presentation. That ends the time.

1120

ONTARIO TROWEL TRADES TRAINING TRUST FUND

The Chair: The next presenters would be the Ontario Trowel Trades Training Trust Fund. Welcome. Could you please give your name, and you have 20 minutes to use as you wish.

Mr Don Attfield: My name is Don Attfield. I'm the director of the Ontario Trowel Trades Training Trust Fund, representing the Masonry Industry Employers Council Ontario/Ontario Masonry Contractors Association and the Ontario Provincial Conference, referring to organized labour.

The Ontario Trowel Trades Training Trust Fund is an organization dedicated to the leadership and development of training for mason apprentices, tradespeople, engineers and architects. The fund is jointly directed by trustees from the Masonry Industry Employers Council Ontario/Ontario Masonry Contractors Association and the Ontario Provincial Conference located in Toronto, representing 477 contractors and 4,000 tradesmen province-wide.

The OTTTF works directly with labour, management, manufacturers, distributors, trainers and both the federal and provincial governments to develop, promote and deliver high-quality, cost-effective and innovative approaches to training skilled tradespeople for emerging work site requirements. Our competency-based modularized programs are co-operatively tailored to meet established needs and the changing demands of employers and

clients. This is accomplished within the standards and curricula held by the province of Ontario.

The remarks I'm about to give you have been collated from employers and labour.

It's our imperative in the masonry industry, including designers, manufacturers and employers, to establish and maintain the quality of masons' skills in accordance with the codes and standards which collectively govern construction. The purchaser/owner must be assured that masonry and masonry systems are installed with competent skills, using care and diligence. In the industrial, commercial, institutional and residential market the economic impact of a masonry system failure is considerable when measured in the cost of life and dollars.

The Masonry Industry Employers Council of Ontario and the OMCA are striving to raise the acumen of contractors and are spending millions of dollars on upgrading skills of existing tradespeople while honing the cutting edge of apprentice training. Our training prepares for the variety of opportunities to build masonry systems in homes, high-rise condominiums, hospitals, schools, government buildings, commercial skyscrapers, blast furnaces, coke ovens and the restoration of heritage buildings.

Apprentices are not labourers but highly motivated people committed to the process of acquiring the full range of skills and experience profiled by the certified tradesperson who is transferable and employable regardless of the type of masonry system. Our organization has achieved a 53% reduction in accidents and injury when compared to the rest of the masonry industry. Our training is competency based and encompasses the realm of the skilled brick and stone mason. We do this to raise the quality of work standards and to be competitive in a highly competitive market. Any proposal to fragment the masonry trade flies counter to all of these initiatives and programs and will be destructive to the lifeblood of our industry.

We recognize that there are organizations, some unions and companies within and outside the construction industry, that would undermine the concept of a trade and the requirements and skills required for a trade. These organizations do so in the interests of union organizing rather than on the true merit of apprenticeship.

The organized masonry industry is well established, defined and understood by the masonry public and has a long-standing relationship with municipal, regional, provincial and federal governments. Our history has built on long-term success. We collectively agree with the analysis undertaken regarding apprenticeship training and setting mutually beneficial directions and objectives as an industry.

We agree with fiscal responsibility and realities, and that training should be done in a cost-effective manner. We believe that the skills inherent within masonry are simply within the scope and parameters of the masonry trade and are not defined simply as a skill or by skill sets.

We believe any policies, regulations or legislation which undermine these principles and beliefs are near-

sighted, punitive and are being undertaken more for political expedience although presented in the guise of logic or merit.

Use this personal analogy to consider what this legislation will permit: Do you want a dental hygienist or just "someone" to clean your teeth? We don't see the correlation to water down a trade into skill sets and the need for quality and our industry direction.

Consider the premise of the basic skill foundations on which the individual has been able to achieve continued education and skill acquisition, the three Rs: reading, writing and 'rithmetic. Individually each is a skill set. We see a trade as being no different than the three Rs. Any reforms defined under Bill 55 that will allow the instruction of only one skill, only one skill set, exemption or elimination of the skills or skill sets would be saying that the acquisition of just one or two of these three is sufficient. That's to say it is OK just to have a skill set. This legislation would be a directive to condone de-skilling, de-education and promote ignorance. This is the message that is being conveyed in the proposed legislation.

If this legislation is being misinterpreted, it's because the definitions and explanations are foreign to our industry and the people it is to govern. It will then be met with scepticism and wry scrutiny. Clarity of definition and intent prevents miscommunication. The language of this legislation does not speak to the people it is intended to impact.

Recommendations: The relationship between the employer and the apprentice is the core to the apprenticeship model and works well when consistent standards and programs are implemented. Failure is the result of a lack of an employer, standards or program. Youth seeking apprenticeship are not in short supply. For these reasons we make the following recommendations:

Reinstate the definition of the employer or employer organization as the sponsor of the apprentice that may work in partnership with educational institutions, thereby enabling linkages for youth.

A skill set does not describe an occupation or trade but identifies the smaller parts of a specific task, as in task analysis. It does not define the ability of an individual to apply the skills and knowledge acquired in a sustainable career known as a trade. The so-called social stigma stereotyping of trades will not be eliminated by the elimination of the term "trade." Skill sets alone do not lend for a sustainable career as defined by the masonry trade.

We recommend that you reinstate within the legislation the definition of trades referring to collective set skills within.

The degree of care taken in work performed by any tradespeople, particularly where accuracy, reliability and safety during the production and application of the final system have led to the establishment of mandatory codes and standards reflecting best practices. These trades are ultimately represented as compulsory certified or voluntary certified or non-regulated. Remember the analogy of the dental hygienist. Rather than compulsory, a restricted trade would suffice, provided that the legislation ensures

consistency in the application of criteria for the restriction. Keep in mind that a tradesperson or registered apprentice can be called upon at any time to perform a restricted application within their trade.

For this reason we recommend that you restate the definition of compulsory/restricted trades.

Given the establishment and expansion of partnerships in training, the leadership and collective achievements of the masonry industry, a construction sectoral council be given in the legislative framework the definitive decision-making role that leads to self-determination and general self-regulation and independence of government control. It is anticipated that this industry will have to pay for the \$40-million-plus shortfall in the funding allocation for apprenticeship training. Along with an industry-sponsored payment comes the employer's right and the determination of where and how the money is spent.

Establish a framework in legislation for an industry-regulated council that includes responsible partners to establish and maintain the apprentice training programs and functions within the industry.

Provincial trade committees consisting of qualified tradespeople and employers determine change and respond to market forces. Provincial trades programs, promotion and recruitment emanate from the professionals of the industry. The provincial trade committees need to be empowered to set the trade-specific regulations. The provincial trades committees should ultimately be responsible to the council previously mentioned.

For this reason, we recommend the provincial trade committees be legislated to set the trade-specific regulations and respond to the council.

I've also attached two articles to the back of the presentation. One is entitled "'Skill Sets' versus Trades Survival in a Diversified Economy." It gives reasons why trades are important. Specifically it talks about the ability to transfer a qualified tradesperson between jobs; the more frequently they will be employed as opposed to unemployed because of the transferability of their skills. Any skill set will actually reduce access to jobs and result in higher unemployment in the long term and a shortage of skilled tradespeople in the long term.

That is what the second article talks about. This was just recently published, October 20, and it came from the Express, a British newspaper. It identifies that in Britain, where they have already broken the trades up into bricklayer, stonecutter and so on and so forth, and have been doing this for several years, they are now going to be requiring 17,500 bricklayers in the near future. This is because they trained to only one aspect of the trade and that was to do row housing. Row housing is diminishing and the transferability of these people as just bricklayers isn't working.

We're following the model that has been used in Britain. Alberta has adopted this model. Alberta boasts 800 new apprentices in the past year. I really question how many of them are going to make it five years from now. It's so limited in terms of the scope of what these apprentices are going to be expected to do.

That is the end of my presentation. Thank you.

The Acting Chair (Mr Steve Gilchrist): Thank you very much, Mr Attfield. That allows us just about bang on three minutes per caucus for questioning and we'll start this round with the Liberal caucus.

1130

Mr Patten: Thank you for your presentation. I thought it was very concise. I think the analogy of where this leads us is helpful looking at other jurisdictions.

I'm going to ask you if you would elaborate somewhat. This has come up time after time, and certainly we would recommend it, and that's the role of the PACs in clearly putting forward the regulations and standards that would be required so that there's transparency there and some relationship ongoing that is there, and that we're not talking about regulations that may be done in cabinet that is not transparent. On that score, I'd like you to elaborate. This has been mentioned a number of times and I sense, frankly, that the government side is looking like they're more amenable to this particular recommendation because it's occurred and because the argument has been made and it seems to be eminently a wise one. I would ask if you would focus on that particular recommendation and elaborate as much as you can. It's the last one.

Mr Attfield: The provincial advisory committees have played a very important role. The difficulty that they've been incurring is the irregularity of their meeting and a focus in terms of their function. The meetings that I have gone to up until the demise of our PAC were very focused in terms of intent and accomplishment.

We've carried on without the PAC as an industry. We've worked directly with the Ministry of Education and Training in the absence of a PAC because our trade has continued to strive ahead. What the PACs provide is a forum for everyone to be involved from across the industry regardless of whether they're in the organized or non-organized sector. It establishes consistent standards and it brings its collective vision forward that will bring everybody together.

Right now, in a voluntary certified trade, an apprentice doesn't have to train. They can go to Home Hardware, buy a trowel and get on the line and say: "Hey, folks, here I am. You pay me eight, ten bucks an hour, I'm happy to work." But what we're finding is that there's such a discrepancy in terms of what the abilities are of those individuals, between even just the residential and industrial-commercial, that these standards become very important.

The determining of the demographics across the province is another important role for the PACs, in terms of where the apprentices are required based on economic growth and based on attrition and the retirement factor that we're going to have to deal with in the trades.

The PACs have to look at the promotion aspect. With the changes in the federal government's program effective April 1, 1999, they have to look at the promotion of the trades. They have to look at being able to implement these programs under a totally new structure, and the PACs have to move on that right away. As an industry, we can't wait. There are questions that are still being asked as to

where we're going to go. We've got to move on this right away. As an industry, we're doing that.

But if we do it as an industry, we're leaving somebody out of this picture. PACs allow everybody to be involved. It also maintains the contact between the government so that we have an idea of what's going on. We don't want to lose that contact. If the government goes to the left and we go to the right, we're all in trouble. We know that.

Mr Lessard: I appreciate your presentation, especially your comparison of the direction the government is going to the direction they had gone in Great Britain. We've heard examples in the southern states where they've gone down this road as well, where now they're having a critical shortage of skilled construction workers. Alberta seems to be a similar example. I'd like to know if you have anything in writing with respect to the experience in Great Britain and whether you would be able to supply that to me or to the committee, because I'd be interested in that information.

You have this one article from the Express about programs that they're introducing now to try and deal with that in Great Britain. I got an article from the Independent from October 18 of this year talking about what the Labour government is doing in Great Britain. They're introducing a national traineeship scheme to replace the Conservative's youth training scheme. What that's going to do is to offer employers financial incentives to train young people on the job in the apprenticeship system.

One of the interesting statements in here was that they were going to make sure that comparisons to the previous Conservative government's program were going to be avoided and that the new qualifications have a value that will improve young peoples' career prospects so that they won't be offering traineeships that won't lead to the advancement of young people. The suggestion before was that it was just leading people into dead-end, low-wage occupations. I don't have a question there but I'm sure you'd like to comment.

Mr Attfield: I'd like to comment.

We have relationships all over the world. We have a college, Bridgwater College near Somerset, England, whose students have visited us, in exchange. These were bricklayers only. This is where the comments came from in terms of the restriction of what they do. They work with one brick, one size, three colours. That's it. Their courses are short, they're dirty, and they're out of work. I can get you that information you're looking for as far as what has happened in England.

We also can give you evidence of what's happening in the United States. We send down to the United States and my employers will take Canadian tradesmen down into the United States before they will hire people in the US to ensure competency on the job. It includes the southern states, New York, Pennsylvania and the western states. The largest major contractor in North America is stationed in Breslau, Ontario, which is just beside Kitchener, and he will take a Canadian tradesman to the States if he can do it.

Mr DeFaria: Thank you very much for your presentation. I just have one question. Most of the presenters today indicated their opposition to the bill, but I haven't heard anyone talking about the recognition of trade skills of newcomers to Canada. I have seen a number of presenters here, and the room is full of white men. Our government has been accused of being represented mostly by white people.

But the workers in Ontario, I'd say probably 40% to 50% of them are visible minorities and newcomers, especially in the construction industry and other industries. The only presenter who was here in favour of the bill was from the Labourers International Union and they were accused of not representing skilled workers. I know their members. I know they are construction workers who do most of the construction and other work in Ontario. My question to you is, what is your position on recognition of skills for newcomers to Canada?

Mr Attfield: We've worked very hard at this for the last 10 years. What we're looking for are good, competent people who have the ability to learn and train as apprentices to become fully qualified tradespeople, regardless of where they're from.

The ratio, if you want to look at visible minorities, we've had standard yard marks of about 50% of all our intakes with a variety of ethnic backgrounds outside of the traditional white Canadian male. It's not a question of the access. We want them. They're here. They're here as part of a non-traditional labour pool that we need, but what we find is that they need some fundamental skills to be able to cope effectively in their training. We also know that they need some additional help in that area because of the lack of education that they may have as a consequence of having come from another cultural background and educational system. We have to be able to bridge that so that they can come in effectively on to the jobs.

Sending them to a job without the training is devastating to them. They're literally at the mercy of the person who brought them here, which is quite often some very unscrupulous contractors who say: "I can get you here. I'll get you a good job." It looks good until they get here, and then they find out things get pretty tough. That's when the union walks in.

The Acting Chair: Thank you, Mr Attfield. I appreciate your taking the time to make a presentation before us here today.

1140

TED SQUIRE
DAVE FELICE

The Acting Chair: That takes us to our next presentation, which is the Canadian Auto Workers, if they could come forward, please. Good morning, gentlemen. I wonder if you'd be kind enough to introduce yourselves for committee members and for Hansard.

Mr Ted Squire: My name is Ted Squire. I'm with the CAW. I'm the national skilled trades representative for Canada.

Mr Dave Felice: My name is Dave Felice. I'm chair of the industrial-mechanic millwright provincial advisory committee. I'm also the chair of the CAW GM apprenticeship committee. I've been elected since 1985 as apprentice rep in the General Motors of St Catharines operations.

Mr Squire: I'd like to start out by saying that this is more of a personal presentation than with the CAW. We've made presentations in all three locations. We've made our points well known about the skill sets and the ratios and where we're at.

I have in front of you an article and I would like to point out some very important statements by CEOs and different people throughout the industry in manufacturing, and where we're going to be at the end of the day, I think.

This article is from the Plant Engineering and Maintenance magazine of November 1997, just one year ago. There are some very interesting articles and quotes from CEOs in this magazine. I'm a little nervous, so you'll bear with me.

From Ken MacDonald, the director of policy development for the Automotive Parts Manufacturers' Association: They had a survey and it really indicated that there's going to be a shortage of over 50,000 skilled trades needed in the next five years. That's no surprise to anybody in this room, especially the people behind me — they know there's going to be a shortage — and in front of us.

From Don Walker, president and CEO of auto parts giant Magna International, a quote from the Globe and Mail, "If we don't act on this, we're going to be in serious trouble in five or 10 years." By the way, this corporation, Magna, has a bona fide apprenticeship of 8,000 hours for its tool and die makers. Mr Frank Stronach is a tool and die maker by trade.

I was in bargaining in Woodstock about a month ago with Kelsey-Hayes. They were doing a job fair for the Magna plant in St Thomas and they were really looking for skilled trades: electricians and industrial millwrights. I don't know how many applications they got, but they sure wanted my application. As soon as I told them who I work for from the CAW, they turned their backs and said, "We're not interested." So I just tested their waters on how they were doing their hiring. But their qualifications are recognized bona fide apprentices or qualified journeymen.

From Mr Phil Hale, vice-president of St Clair College in Windsor, Ontario: "Hale predicts more apprentices will turn to part-time programs, and says fewer will complete their apprenticeships...." If the grade 10 education is taken out of there, they will not be able to complete their apprenticeships.

Five years ago in the industry, an industrial maintenance electrician may have spent half their time working on transformers. Now they're working on diagnostic equipment, programmable controls and reading computer

codes that run the robot. Only a full bona fide apprenticeship would suffice.

The Big Three auto makers hired the bulk of their workforce in early 1965, after the signing of the auto pact. The catchphrase "30 and out" in the auto industry is good to the worker, but as you can see, in 1965 when they did all their hiring, there's going to be a severe shortage of skilled trades within the Big Three. General Motors and Chrysler have addressed this issue; Ford, unfortunately, in Canada has not. We had to go to the bargaining table last time and bargain 25 apprentices. When we go to the bargaining table and have to put pressure on Ford Motor Co to bargain apprentices, it's utterly ridiculous. We're going to make it a strike issue, by the way, this time around and we'll get more.

There were three recommendations coming out of this report — there were really more than three but three very important ones, I think — work on improving the image of apprenticeships, teach new technologies in the industry now, and sort out a stable plan for the pay of the apprentices. Making them pay their own tuition is not the way to go.

My point is, if these manufacturers were listening to their own predictions, in the future we would not be short of apprentices. They are making their predictions but they are waiting for everybody else to do their work. The bottom line is that these apprentices should be taken into each plant, and if they're not taken into the plants, a levy should be put on these plants to make them pay. What the Big Three are doing, in particular Ford, is stealing from everybody else, which is a shame.

I really believe that Bill 55 should be stopped and put on hold, and more consultations should be done with industry, with unions, so we have more input in it. There are things in the bill where I could go piece by piece and say, "I disapprove, I disapprove," but there has to be more consultation. With that, I will turn it over to Dave Felice, who is a member of the PAC committee, as he said before.

Mr Felice: I welcome the opportunity to speak to you. I would like to bring some of the concerns of my PAC here. We do currently have around 1,550 industrial mechanic millwright apprentices employed in the industrial plants in Ontario. Going briefly through the bill, section 2 talks about definitions of some of the words that are found in the act. The word "consultation" should have been put in this section because, clearly, the definition is different from the people that are directing the apprenticeship reform than from those of us in the industry committees.

Over the past 18 months our PAC has worked hard on trying to improve our trade, developing guidelines for clearer definitions and credits for previous experience across the field offices. We've redone the training standards, updated the curriculum to reflect changes in our trade. We've worked well with the program standards, the division of the ministry, and we have found the people working there to have a genuine concern in improving the apprenticeship structure in Ontario. They have given us the opportunity to be involved in several consultations as co-chairs and chairs of the committees, but what we're

saying does not seem to be reflected in the bill. For example, there was a workshop to deal with restricted skill sets. Eight of us were chosen as representatives sectorally and all of us agreed that we wanted nothing to do with skill sets, but we were told, "Well, if you were to agree to them, what would the criteria be?"

We signed a document that you'll find in the CAW brief and that other people in the room have brought up in their presentations. We were clearly told by the lead from the apprentice reform project that our views would not go to cabinet, and our input, when it disagrees with the direction in which the government is moving, is not of interest to these people. I don't think that's proper consultation.

In regard to subsection 3(2) on skill sets, the director's function is to approve apprenticeship programs for occupations and skill sets. We don't feel there is a need for an apprentice program for a skill set. An apprenticeship is a set of skills. Apprenticeship should not be confused with traineeship and certification in a skill set, and I think you've heard that over and over the past four days.

The minister said he wants to increase the role and the mandate and the responsibility of the industry committees. In our consultations we suggested language and what our role should be. In section 4 of the bill our mandate is to advise the minister and the director of apprenticeship. We have no strength in mandate. There is no clear mandate for what we are doing. "To promote high standards in apprenticeship" is stuff we're already doing.

The bill and the legislation that's in place now has served this province very well, to a certain extent, since 1964. I don't feel that we should revise it and pass Bill 55 over a couple of weeks just to shove it through. I think we need to delay the passage of this bill and have proper consultation with the industry groups. I think that in moving forward we shouldn't be jumping off a cliff.

My recommendation to this committee is, let's put the brakes on the bill and do proper consultation and draw from the industry committees who do support equally employers and employees, union and non-union, because none of you can honestly say that we don't share common concerns that rise above our politics.

I'd like to spend some time now answering any of your questions.

The Acting Chair: Thank you, gentlemen. That allows us just over two minutes per caucus. We'll start with the NDP.

Mr Lessard: Thank you very much for your presentation. I agree with you that this is flawed legislation that has resulted from a flawed process including a flawed consultation process. It should be shelved and there should be meaningful dialogue entered into with the people who are going to be impacted by this legislation.

I was interested to see in this article that you provided us from plant engineering and maintenance the comments by Phil Hale from St Clair College in Windsor who I happen to know, talking about — just to quote him directly — "There won't be an apprenticeship by the year 2000 because the feds are withdrawing all their money." He mentions that as one reason for the end of the appren-

ticeship system, but I don't think that what we're doing in Bill 55 is helping us either.

The government will say that the current legislation hasn't been working since 1964 because there's a shortage of skilled workers. What's your response to that?

Mr Felice: Clearly, the withdrawal of the funding is the catalyst for apprenticeship reform, but I'd like to remind people that the in-school portion is only 10% of the apprenticeship program, yet they receive 95% to 100% of the funding. Very little funding was spent on the on-the-job portion other than through the services provided by the field offices and the consultants from the Ministry of Education.

Although we have to find alternative methods to fund it, the bill does not address that. It's primarily about working conditions, the on-the-job portion. The battle lines were long drawn as far as who can work in our plants or outside of our plants as members of the construction unions. That shouldn't be the basis for legislation for an apprenticeship. An apprenticeship should make sure the person can get sufficient skills to work in construction, in the plants, across Ontario, across Canada, wherever the work is. As a government, if you train people to that level, you've done the best job in training that you can.

Mr Smith: Thank you for your presentation this morning. The issue of regulated wage rates has obviously surfaced over the course of the last three days, and previously for that matter. Given that the industry itself asked for the wage regulation to be removed some five, six or seven years ago now as it applies to tool and die, is there truly still relevance to the need to have that provision there when in fact industry is recognizing those opportunities? I would think that in the tool and die sector salaries have been pretty competitive.

Mr Felice: Bruce, in the precision metal cutting or tool and die trades, the removal of the wage ratio was partially driven by the fact that an employer has to pay the high rate, has to pay \$28 an hour to get a tool and die maker because the skills are so evolved in that trade.

If there are other trades where there are more people that the employer can find, then it's going to drive the wage rate down. The elimination of the wage ratio, in my estimation, can only lead to the reduction of wages because there are employers out there who create a need for unions because they won't pay their employees what they deserve. There are also non-union employers out there that will look after their employees and set their own wage standards.

To a certain extent, yes, I think the PACs and industry working groups should have a say in whether or not their trade demands a wage ratio, but, again, Bill 55 doesn't give them the power to do that. They can only give advice and recommendations to the director and to the minister, who will, quite frankly, do what they please.

Mr Smith: Just one quick item, more a matter of interest, given your involvement in the PAC. Industrial millwright is currently a voluntary trade. Would it be the PAC's view that you would like to see it remain as a voluntary trade or do you have a vision beyond that?

Mr Felice: We would like to see whatever is more beneficial for apprenticeships. To make it a compulsory trade may set up more barriers to bringing people into the trade. It may force employers into fragmented programs, traineeships, apprenticeships and skill sets because they don't want to get into the expense and the regulation that a compulsory trade demands. But myself, personally, as chair, I would jump on it to make it compulsory in a minute. I think it would be beneficial for the apprenticeship program if employers had to register their employees as apprentices. You see in the statistics that people writing the certificate of qualification exam who haven't come through a structured, bona fide apprenticeship have great difficulty passing the exam. Apprenticeship is the proper way to train people in the skilled trades.

Mr Caplan: Thank you very much for your presentation. I certainly appreciated hearing it. You referred to a letter that was sent to the minister, and I'd like to refer to that letter. The letter was sent to the Minister of Education and Training, Mr Johnson, and it says:

"On October 15, 1998, the government industry working committee composed of employers and employee representatives representing the industrial, construction, service and motive power sectors met to develop criteria for determining restricted skill sets within a trade/occupation. It is the unanimous position of this committee that it is in the best interest of public health and life safety, worker, environmental and consumer protection that:

"If any skill set within a designated trade or occupation meet any criteria for a restricted skill set as determined by the trade-specific provincial advisory committee, then the trade/occupation should be deemed restricted in its entirety."

That letter is signed by every employer and every employee representative of the industrial construction service and motive power section. Can you tell me a little bit more succinctly — I read this as saying, "Don't break up the trades into skill sets." Do I read that correctly? Tell me exactly what that means.

Mr Felice: Exactly. We felt that we were let into the consultation as a means to justify the introduction of skill sets in the legislation. After we made our point quite clearly that we in no way thought skill sets were the way to go and in no way would they improve apprenticeship, basically we were told, "Too bad," that that was not the message that was going to be brought to the Legislature.

In an effort to make a move to stem this we thought, with our limited resources and time involved, that that best would put a halt to the fragmentation of the trade, that if there is a skill set in the trade, the trade in its entirety should be restricted because there are many skill sets that only evolve after three years in the apprenticeship.

There are dangers inherent in the work we do that don't become apparent until you're three or four years into the apprenticeship. To water it down and break it up into skill sets is going to create a danger to the public and to the people who are working in the trade because they don't have sufficient knowledge of what can happen in the work that they're dealing with.

The Acting Chair: Thank you both, gentlemen, for coming before us here this morning.

Mr Squire: If I could, through the Chair —

The Acting Chair: Very briefly.

Mr Squire: The question was asked in Windsor as to what we are willing to do to help resolve some of the problems that you're talking to us about and why you're trying to change the bill. One of the problems is — and we talked about it and Mr Lessard touched on it — the \$30 million. As far as I'm concerned, we should all walk over to the Hill, grab our \$30 million and take it back to Ontario. Over and above that, through the fiscal targets that you have set, you're going to take \$10 million out of the program too, according to the article in a manufacturers' magazine. You give us the \$10 million and the \$30 million, and we'll take care of the apprentices.

The Acting Chair: Thank you for your comments. Thanks to all the presenters who have been here this morning. The committee will recess until 1:20 this afternoon.

The committee recessed from 1204 to 1321.

The Chair: I would like to reconvene the day's hearings on Bill 55 out of respect for the presenters already here. The first presenter is the Sprinkler and Fire Protection Installers of Ontario, local 853. That being said, I want to remark that there aren't very many members around the table at this time. If you'd care to proceed, I think the sooner we start, the sooner they'll find their way into the room.

UA LOCAL 853, SPRINKLER AND FIRE PROTECTION INSTALLERS OF ONTARIO

Mr Greg Mitchell: Good afternoon. My name's Greg Mitchell. I'm the training coordinator for the sprinkler industry national joint training and apprenticeship committee. As well, I'm the training coordinator for UA local 853, sprinkler fitters of Ontario. Local 853 represents approximately 98% of certified sprinkler and fire protection system installers and apprentices in Ontario. Local 853 owns and operates a Sprinkler and Fire Protection Trade Centre, which is the only official training delivery agent for the Ministry of Education and Training for the in-school curriculum for sprinkler fitters in Ontario, of which I'm also the coordinator and administrator. As well as fulfilling these positions, I'm also the co-chair of the Sprinkler and Fire Protection Industry Provincial Advisory Committee.

Mr Rod Drapeau is the owner of Drapeau Fire Protection Ltd in Kingston and is also an active management representative on the provincial advisory committee. At this time I'd like to hand the mike over to Mr Drapeau to express his concerns on Bill 55.

Mr Rod Drapeau: Good afternoon. I've got some major concerns about Bill 55. I'll just give you a quick brief on where I'm coming from. I've worked 15 years in the trade. I served an apprenticeship. I'm quite knowl-

edgeable in my trade. We've had our own business for 10 years, so I know the business end from going through a recession. I don't know if you guys are aware of that. Management has a lot of concerns with Bill 55, and I'll go through them briefly.

Funding: Right now the government is investing \$7,500 to put an apprentice through the apprenticeship program. We spend double that much on code books for the same guys in the period of their apprenticeship. So the \$7,500 is a very small investment on your part. Apparently you're looking to pass it all down to management and labour with no investment in the worker.

Education: You're saying that we should lower the benchmark, possibly accept as low as grade 8 and grade 9. Right now in our trade we're finding it hard with grade 12 as a minimum to have the new apprentices learn all the complexities of our trade. In 1951 maybe grade 8 was fine. Today grade 12 is the minimum. Some fire protection contractors are looking at possibly college graduates to be able to learn the trade. We're not just talking about a guy who sticks in a piece of pipe.

You talk about skill sets, breaking up the trades into skill sets. We cannot hire a quarter of a man or a third of a man or a half-trained man. He's got to be a tradesman who knows his trade from one end to the other. That's only accomplished through an apprenticeship program where the guy learns every aspect of the trade. We can't have one guy hanging a piece of pipe here and another guy installing the valve and neither knows what the other one is doing. These are life safety systems. They're all tied in from one end to the other and we can't break them down into skill sets.

You were talking about increasing ratios. From management's end of it you look at it and you say, "We're going to provide you with a bunch of cheap labour." There's no such thing as cheap labour. If you have an employee who doesn't know one end of a piece of pipe from the other, even though he knows some basic parts of his trade — it costs something that you people maybe aren't aware of: the amount of money that a contractor, if he's going to have properly trained people, invests in getting that guy to an end product. It doesn't happen overnight. It's something that costs us money directly. That is not addressed anywhere.

In having one or two mechanics looking after 10 apprentices, you just don't get the final quality product. We don't have the freedom that, if we install a system, it may work or may not work.

The sprinkler system in this place here: I was one of the foremen on this project and it was installed by certified skilled people. If there was a fire in this place, I know it would work. There are some places maybe you don't have that same comfort feeling.

You talk about restricted skill sets. These are all a little vague, little catchy clauses. Nowhere does it say which trades are going to be restricted, what parts are going to be restricted skill sets.

You want us, in our wisdom, to trust you people that you will properly designate these skills sets, yet nobody is

coming forward and saying, "These are going to be the restricted skill sets." It's an awful lot of faith from the business end that we're going to turn it over to you guys and you guys don't want to designate the restricted skill sets.

Jack can start putting in a sprinkler system tomorrow — or any other trade, it doesn't just apply to our trade — and if they're not designated as a restricted skill set there is no obligation for an apprenticeship program.

If we have these restricted skill sets, who is going to enforce these restricted skill sets? We don't have enough inspectors right now to enforce the ones we've got. From our end of it, we're the guys footing the bill. We use certified guys competing with guys who aren't certified and there is nobody to enforce it.

From management's end of it, you're going to have to put more forward before we could even entertain backing any of this bill. There is just too much left in the air that you're not addressing.

Right now we're working in Ontario, Newfoundland and New Brunswick. Because of the quality of the tradesmen we've put through the apprenticeship program in this province, we can go to those provinces and they know we've got quality people. If you break us down into skill sets and we've got half-trained guys, we won't be able to go to Newfoundland and work.

There are a lot of items. The way I look at this is, this is a tender closing and we need an extension. It's happening very, very fast. This is almost like trying to build a house with a jackhammer.

We've got to do it right. It's not just today we're looking after. We're looking after the kids. I've got two apprentices right now. What future have they got down the road? I've got kids who are going to be coming up through an apprenticeship program. What is going to be their future? Whatever we put in the act right now is going to be the future of those kids.

I was lucky that I came through a system that was put in and had enough rules in it that we could build these kinds of buildings and know they're not going to fall down around us. If you're looking to put half-trained, half-skilled guys out there doing it — I'm almost 50, I'm almost retired, but I feel sorry for the younger guys. That's all I've got to say.

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Mr Mitchell: I'd like to carry on a little bit. Local 853, which I represent — we're a straight-line sprinkler local — has a national road agreement with CASA, the Canadian Automatic Sprinkler Association. It's through this road agreement that we have a national joint training sprinkler apprenticeship committee. Under that umbrella, we have local apprenticeship committees with each local across Canada which act as LACs. It's through these LACs that the apprenticeship contracts are signed. The apprenticeships are under the contract of the LACs.

Through this, we're able to harmonize the national standards and the red seal program and afford both fitters and apprentices great job mobility. Local 853 has actively

participated in the reform process, submitting submissions whenever afforded the opportunity.

At this point I would have to say that local 853 is strongly opposed to Bill 55. It flies straight in the face of all our submissions. To begin with, on the purpose clause, any bill dealing with apprenticeships that does not deal with trades in entirety, or worker safety or consumer protection, cannot be supported.

Section 1 must include a definition of "trade" or "restricted trade" or "compulsory trade". Section 3 allows the director to approve apprenticeship programs for occupations and skill sets. Section 4 allows the minister to establish committees for any occupation.

When these provisions of the bill are tied in with the definitions of skill sets and the removal of compulsory trades and the allowance of overlapping skills under clause 11(1)(c), we end up with a volatile situation. For example, if our trade were to be comprised in the end of 20 skill sets, of which 15 may be deemed restricted and five not restricted, we've been assured by the reform project team that the PACs could set the standards for the trade; for example, ratios and so forth for our particular industry — by the way, I see no provisions in the act for this. If such were the case, under section 3 a separate group could approach the ministry and they could develop a program for only four of the restricted skill sets through another group, and under section 4 set up a separate PAC for those skill sets and develop lower standards that would undercut the standards set by the initial PAC. That flies straight in the face of the promise of a stronger role for PACs under this bill.

With the issue of overlapping skill sets, you could fictitiously look at an example of another sector of the economy. Take the municipal workers and take, for example, two occupations: a transit driver and a heavy equipment operator at a landfill site. You could look at the different skills they require to perform their jobs. A bus driver could obtain the skill sets of smooth acceleration and wide-angle turning, but not obtain the skill set of braking, and I hope your passengers aren't expecting to get off the bus some time that day.

By the same token, when you look at the overlapping, could you imagine the bulldozer driver from the landfill site applying the brakes on the transit system? I hope you've got a full face mask on when he puts the brakes on.

This may seem very simplified, but the principle does apply to our trades. I do not hang a piece of pipe and I do not install waste piping systems. I install automatic fire protection systems from one end to the other. It's a complete integral system that is vitally dependent on each component of it.

PACs must have a stronger role, more of an advisory role. The minister has talked about a stronger role for PACs. The stronger role I see in the bill is in an administrative role in promotion, not in a more legislative role, which is what we were asking for all along.

We have to have some kind of power to set standards for our industries. On the issue of ratios, it is vital to the industry to maintain ratios in the legislation so our

journeypeople can have the ability to properly pass their skills and craftsmanship on to the apprentices.

I was going to go on more, but at this point I'd like to leave some time for questions from the committee.

The Chair: Thank you for your presentation. We have over two minutes per caucus. I start with the government caucus on this.

Mr Gilchrist: Thank you both for your presentation. I appreciate your coming before us here today, particularly a trade where we've recently made some changes to the Ontario Building Code that are hopefully translating into more work down here in Ottawa and for your other members across the province.

I think I can hearten you to some extent because we've certainly heard similar messages throughout the four days of hearings. That doesn't make yours any less important to us, but it's allowed us the opportunity each day to get back to the minister at the end of the day and mull over how we can better clarify the intention of the act to do just what you're asking for.

It certainly was never the intention of the government to see trades broken up or to see public safety compromised. When I read the act, I will be very honest with you, and I saw it said, "occupations and skill sets," I read those as two totally different things. "Occupations" would be one thing that would be determined and, in your case, the status quo is working so that occupation could be perpetuated. "Skill sets" might be a very different thing and may not apply at all within your trade.

However, whatever I thought in reading it clearly is not what others read into that. I want you to go away today knowing that we are very cognizant of the fact that the wording as it exists right now needs clarification. Your point about the purpose clause, obviously, how would any of us stand in opposition to adding words talking about health and safety, for example, to it? I don't think that was a deliberate oversight.

Purpose clauses, by the way, are not even the norm in bills. This, we hoped, was going to give some direction and give greater peace of mind. If we need to add more words in there to close some of these other concerns, we're going to do that. I just wanted to give you that assurance. I don't have any particular questions, but I do want to thank you again for coming before us here today.

Mr Caplan: Thank you for your presentation. I'll agree with the previous speaker. We've heard a great deal of commonality from presenter to presenter, whether they're management, whether they're labour, whether they're education. There are serious flaws in this bill.

I was really intrigued when you said that you were the foreman on the job putting up the sprinkler system here. I'm not a tradesperson, but I would think that to be a foreman you would have to have complete knowledge of all of the systems you're working with because you're responsible for the supervision.

If under Bill 55, we're going to break up the trades into skill sets, how would somebody be able to become a foreman they would have incomplete knowledge of all of the

various aspects of sprinkler systems? Would you mind commenting on that for me?

Mr Drapeau: On the health and safety aspect of these systems, you can't have one guy just install a part of it or just no part of it. They're all tied in together. A foreman, as a rule, is just a guy who is going to be willing to accept more responsibility.

When a guy finishes his apprenticeship he can't be half a sprinkler guy. He can't know half the system. You can't be supervising guys their whole eight hours. If it's another trade, maybe they can get away with it. In this one here, when they need to work, they have to work. We just don't have the flexibility that some other trades do where they don't need as much supervision or as much knowledge.

That's becoming harder and harder as the systems become more complex. We've just got a new Ontario building code where we've brought in a whole bunch of standards. Some of the older fitters we have in upgrading right now. Some of the guys are looking at early retirement because we're making it more and more complicated.

The liabilities are more and more. The public expects if they're in a place where there's a sprinkler system — if something happens, I wouldn't want to be the guy who says, "It didn't work because we were using half-trained guys because we decided" —

Mr Drapeau: Cheaper is not the answer. We don't have that luxury.

The Chair: Thank you, Mr Caplan.

Mr Mitchell: If I can just quickly add an important point on to that, you talked about skill sets and someone not learning the entire trade but how would he become a foreman. Even if someone became a foreman and was in charge of the workers in that particular project, whether it be in charge of the journeymen and the apprentices, it's important to note that as far as safety goes, under the Occupational Health and Safety Act, section 26, under the duties and responsibilities of a supervisor, a licensed journeyman who has an apprentice working with him in a particular area of the building and is not a foreman would be deemed a supervisor and responsible for the health and safety of that apprentice who is working with them. They therefore would have to be well versed in the trade.

Mr Lessard: You had an opportunity to hear from Mr Gilchrist that they are prepared to respond to some of your concerns that you've raised here, and I wonder whether that gives you a lot of comfort.

Mr Drapeau: If you're standing in front of a bunch of people day after day and people are telling you something is wrong, if, at the end of a week, you can't get it into your head that there is something wrong, there is something definitely wrong with the person who is listening. Obviously, after four days maybe things are getting through.

We've got to work together to make this work. This is the future we're looking after. It's not a today thing. Ten years from now, whenever we've got people in the trades, whether it's the cook or the sprinkler fitter, the laws we're writing today are going to be in place, hopefully.

Mr Lessard: One of the things that is defined in the definitions is "occupation." It includes "a trade," but it doesn't define "trade" anywhere and we really don't know what that may mean in the future. Do you know?

Mr Mitchell: Certainly not under this act. There's no definition of a trade. I know what a tradesperson is; I am a tradesperson. I am an interprovincial, red-seal-certified sprinkler and fire protection installer. I know what a craftsman is, I know what a skill is and I know what a trade is. This act does not tell me what any of those three are.

The Chair: Thank you very much for your presentation this afternoon.

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PROVINCIAL ADVISORY COMMITTEE FOR THE ELECTRICAL TRADE

The Chair: With that, we'll call on the next deputant. Good afternoon, gentlemen, and welcome. Please introduce yourselves for the members of the committee and Hansard.

Mr Bob Hill: My name is Bob Hill. I am the executive chairman of the Construction Council, International Brotherhood of Electrical Workers. I have the distinct privilege of introducing, on my left, Mr Dan Racicot, owner of Racicot Electric in the city of Timmins, and I take the opportunity to identify that Dan is a non-union contractor. On my right is Mr Mike Galley, owner of Cyril B. Smith Electric, a contracting firm based in Beamsville, and Cyril B. Smith is a union contractor.

I will clarify my function. I made the application for our presentation because both of these guys were in the woods hunting at the time, fortunately, not for one another. Being the labour side of the provincial advisory committee, I make it very clear right now that this presentation is an industry presentation. It has no barriers. We represent both the organized and the unorganized, the residential and rural domestic licence, the industrial electrical licence and the construction maintenance electrical licence.

At this point, it is my privilege to offer the job to the contractor, Michael Galley.

Mr Mike Galley: According to the latest statistics available for the Ministry of Education and Training, there are approximately 75,000 holders of certificates of qualifications and registered apprentices in the three branches of the electrical trade: construction and maintenance, industrial, and rural and domestic.

In 1964, the electrical trade was designated compulsory. This means that in order to work in the trade, registration as an apprentice or as a holder of a certificate of qualification as a journeyman is legally required. Compulsory designation is associated with those trades in which issues of consumer protection and worker health and safety are issues of the highest priority.

The provincial advisory committee for the electrical trade was appointed by the Minister of Education and Training under the authority of the Trades Qualification

and Apprenticeship Act to provide advice to the minister on behalf of these three branches of the electrical trade.

The committee represents a cross-section of interests from across the trade, including union and non-union electrical contractors working the residential, commercial, industrial and institutional sector of the construction and maintenance industry, and employee representation from construction and maintenance unions, in-plant unions and the power sector.

The electrical trade has been working at many levels to influence the direction of apprenticeship, both nationally and provincially. The trade has developed a clear vision of the principles that should guide apprenticeship training and trades certification. These principles were reflected in our response to the apprenticeship reform discussion paper over a year ago. At the core of the electrical trades model is an understanding that Ontario needs an apprenticeship and trades certification system that is capable of meeting the diverse needs of a variety of trades, while ensuring that specific high-quality standards are in place in the electrical trade.

Consistent with our response to the original discussion paper, the electrical trade has a desire to create an apprenticeship program that is based on provincial and national standards to facilitate worker mobility and ensure the development of highly skilled electricians; responds to the need for consumer protection and worker protection through compulsory certification and rigorous enforcement; recognizes apprenticeship as a unique method of training that begins and ends with the employment relationship; and recognizes apprenticeship is the electrical industry's source of trained workers and is based on an equal partnership between government and industry.

Bill 55 does not share these principles. Our view of Bill 55 is that it applies an educational model to apprenticeship, not an on-the-job training and skill acquirement model that our industry has successfully used.

The electrical trade strongly believes that the strength of the apprenticeship system begins and ends with the relationship between the employer and the apprentice. This relationship is much stronger than that implied by the notion of workplace-based training contained in Bill 55.

First and foremost, employing an apprentice means there is a job. It means there is an economic and labour market requirement need to have someone fulfilling a productive role in this job, and the need to have someone trained to play an even more productive role in the future when they are certified. As an example, the apprentice electrician is not only learning how to install light fixtures, but those light fixtures will eventually provide light for someone working or occupying those premises. In other words, the training is not provided for a job that may or may not exist, but one that already does exist.

Being an employee also means there is an income while being trained. Further, it means that all federal and provincial statutes related to employment will apply: Employment insurance premiums will be paid, employer health tax will be paid, workplace safety and insurance premiums will be paid and all relevant employment stan-

dards and occupational health and safety legislation will apply.

In our view, the key component of apprenticeship training is the on-the-job experience, which is based on a strong relationship between the journeyperson and the apprentice. The theoretical, in-school portion of apprenticeship is not sufficient to ensure the transference of skills and knowledge. The apprentice must be exposed to a broad range of real experiences, learn from an experienced tradesperson and actually perform the tasks in a real-life situation in order to become fully proficient and productive. The employer is the supplier of both the journeyperson and the real on-the-job experience, or the work on which to learn their craft.

For the electrical trade, the entire credibility of apprenticeship training and the tradesperson certification system rests on the compulsory certification or licensing of those in the trade and the proper enforcement of that certification. Improper electrical work will lead to fatalities and untold property damage. Protection of the public and worker from this danger is incumbent upon the development of a highly skilled electrical worker and assurance that only qualified electrical workers are given the opportunity to perform electrical work. This can only be achieved through a mechanism such as compulsory certification, rigorously enforced and supported by consistently applied punitive fines.

The public expects to be protected from these risks. A public opinion poll conducted by Angus Reid for the Electrical Contractors Association of Ontario found that almost all respondents agreed that all electrical work done in schools, hospitals, hotels, industrial plants and residential premises be completed by certified electricians or registered apprentices working under the supervision of a certified electricians. Respondents also agreed that there should be stiff fines for electrical contractors and businesses that hire workers who are not certified or registered apprentices to do electrical work.

The electrical trade believes the trade should be considered in its entirety, not fragmented into skill sets. Due to the nature and complexity of the electrical trade, it is critical that electricians be able to perform the full range of work. Certification or restriction of specific skills will open the door for unqualified workers performing functions for which they are not fully trained.

Electrical work is increasingly more connected to other complex systems, requiring an increased breadth of knowledge to understand how work in one area can impact on another. Now, more than ever, fragmenting of the trade will have dangerous repercussions.

The electrical trade wishes to facilitate mobility of its workforce. The construction industry, which is the primary market for electricians, is subject to significant swings in economic activity, resulting in a boom-or-bust type of market. Mobility of skilled tradespeople, including electricians, is the traditional method of meeting skilled labour supply needs in various regions of the country, hence the term "journeyperson."

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It has been historically proven that labour mobility can only be achieved through national standards. A system of skill set certification, rather than trade, makes it impossible to mesh with other provincial jurisdictions and will become a barrier to interprovincial mobility.

The electrical trade believes that the industry should play a stronger leadership role in apprenticeship through local and provincial trade committees. Bill 55 makes vague provision for industry committees, but they will only play an advisory role and are not specific to a trade. The electrical trade requires a provincial committee specific to our trade, comprised equally of employer and employee representatives and various sectors of the trade, that can play a leadership role in developing trade standards and regulations, including journeyman-to-apprentice ratios, entry level requirements, trade school curriculums and delivery agents and the recognition of national standards. We believe that any changes to these standards and regulations should be subject to the prior approval of the electrical trade committee.

Apprenticeship training is the electrical industry's primary source of trained workers. Our industry and the economy of Ontario have benefited from having a highly trained electrical workforce. Despite the boom-and-bust nature of the construction industry, the electrical industry has been able to meet various peaks in labour supply needs, whether it's building a pulp and paper mill in the far reaches of northern Ontario, commercial office towers in downtown Toronto or some of the most sophisticated automobile plants in the world.

Human resources planning is definitely not an easy task in our trade but we have, through an effective apprenticeship training system, been able to successfully accomplish this task. Completion rates for the electrical trade are one of the highest of any trade anywhere in Canada, and definitely above that of post-secondary institutions such as community colleges or universities.

Throughout its existence, the electrical trade has constantly been adapting to the introduction of new technology through regular upgrading, which has not only expanded the market for our trade, but also greatly increased the skill requirements. In the 1970s and 1980s, we participated in a major technological revolution in the plant and equipment of Ontario. Plants and factories which were once driven by electrical/mechanical systems are now entirely driven by electronically based systems. Every time there is a changeover in an auto assembly plant, the skill requirements of the trade are different from the last changeover. During the last decade, we have been meeting the demands of information technology.

For the electrical trade to continue its success and play its part in assisting in the competitiveness of Ontario, we require an apprenticeship system that will allow us to develop a highly skilled workforce that can meet many challenges. We, as a trade, want to play a leadership role in providing the framework for the various parties in our industry, as represented by this committee, to successfully train workers to meet the market demands of our trade.

We firmly believe the best method of achieving this goal is through apprenticeship and trade certification legislation that shares our vision. Hopefully, as Bill 55 public hearings come to a close and the politicians take the forefront, they will understand the consequences of their action or their inaction. Thank you very much.

The Chair: We have about two minutes left for each party.

Mr Caplan: I'd like to thank you for your presentation.

One of the points that you touched on, and it's something that's surfaced a great deal today, is the whole issue of mobility. One of the fears I have is that if you break any particular trade up into skill sets, when a contractor who requires someone with intimate and detailed and broad knowledge of a full trade goes looking, say here in the Ottawa-Carleton area, they're not going to find those people. Where are they going to look? They're going to look across the border in Quebec.

I have a real concern, because there is a really big problem right now with mobility across the provincial border and I foresee that getting worse. Do you think that's a logical outcome if Bill 55 were to move and be approved as is?

Mr Galley: I believe that definitely it is going to be a problem. We have a problem now with moving labour back and forth across the border. It's going to be compounded by the fact that we're no longer going to have those skilled workers here in Ontario. We're going to have a fragmented trade unable to compete in technology in that workforce.

Mr Caplan: Your recommendation is?

Mr Galley: My recommendation is to leave it as is if the wheel is not broken. We have led this particular training and education in the apprenticeship system for years. It's been almost 50 years since the Electrical Contractors Association of Ontario and the IBEW have worked toward building this trade into what it is now; 50 years later, we're looking at dismantling it.

Mr Lessard: Thank you very much, Mr Galley. I think it's important for us to hear what electrical contractors have to say about this bill because, having gone through four days of hearings, we're really struggling to find people who come out and say: "This is what we've always asked for. This is what we really need. This is what is going to help the future economy of Ontario and the young people in our province."

I want to start out with your final statement. It says that you "firmly believe the best method of achieving this goal is through apprenticeship and trade certification legislation that shares" your vision. I'm assuming that Bill 55, as it stands now, doesn't share your vision.

Mr Galley: Bill 55 does not share any part of our vision. As far as competent young people, we can as a contractor, if we wish, put an ad in the paper to start a new apprentice and be inundated with people with qualifications like you would not believe. Right now we have no shortage of getting people who are highly qualified, so why would we ever wish to downgrade that system?

Mr Lessard: Would you support any provisions that grandfather certain certified compulsory trades like electricians?

Mr Galley: No.

Mr Smith: Thank you for your presentation. Of particular interest over the course of the last three days is the obvious level of educational requirement, attainment and training that electricians go through, both in terms of the grade 12 provisions and the math and other issues that have been raised. What relevance, then, does the grade 10 requirement have?

Clearly, we've seen with the apprentices who have been surveyed as part of this process, only 6% have less than a grade 12 education presently. I'm trying to get some sense of the relevance of the grade 10 provision, which is currently in regulation, not legislation, because in each and every skill trade, with the exception of one that I can think of over the course of the past week, most of our apprentices well exceed that particular education level.

Mr Hill: Could I answer that, if I may, please? I've had the opportunity of sitting on the PAC for the last round. I'm in my second year of the three-year term. The people who participated with the PAC prior to myself, Mike and Dan getting on the committee we know have proposed time and time again to bring the education standard to grade 12, but being a PAC in an advisory role only hasn't worked for us. We need authority to speak on behalf of our industry because we are the industry.

Mr Smith: May I just quickly ask you, Bob, as well, given that you're in your second term, how effective do you find the three-year period of time in terms of continuity to the contribution you're making at the PAC level? Are there any concerns you have around that period of time?

Mr Hill: It's almost like I wrote that question, Bruce. We have spent the last two years with our PAC attempting to protect and defend our industry from the onslaught of Bill 55. What a waste of time for an industry to be spending this amount of time protecting a system that doesn't need trespassers.

The Acting Chair (Mr Harry Danford): Anything further? If not, we appreciate your input this afternoon, gentlemen, and we thank you.

1400

LA CITÉ COLLÉGIALE

The Acting Chair: The next presenter, please. Welcome, gentlemen. Could I ask you to identify yourself so that we have a record for our Hansard and for the members.

Mr Jean Leroux: We'll be making our presentation in French, Mr Chair. The name of our organization is La Cité collégiale, which is the French college of applied arts and technology in Ottawa-Carleton and eastern Ontario.

Mon nom est Jean Leroux. Je suis vice-président à La Cité collégiale, qui est le collège communautaire d'arts appliqués et de technologie dans l'est de l'Ontario. Je suis accompagné de notre expert en apprentissage, M. Steve

Goodwin. On vous remercie d'abord de nous donner l'occasion de venir présenter notre point de vue au comité sur le projet de loi 55.

Nous tenons à féliciter le gouvernement et l'Assemblée législative de se pencher sur ce projet de loi important. La loi sur l'apprentissage des gens de métier et la qualification professionnelle était attendue depuis longtemps puisque la loi actuelle est en vigueur depuis plus de 30 ans. La Cité collégiale offre présentement 18 programmes d'apprentissage réglementés et d'autres cours techniques, et cela malgré le fait que La Cité collégiale n'existe que depuis huit ans. Nous avons déjà formé plus de 1000 apprentis provenant de partout en Ontario.

La Cité collégiale est d'avis qu'il faut que l'apprentissage et les métiers puissent reprendre la juste place qui leur est due au sein de la société et de l'économie actuelle. Comme vous le savez, contrairement à ce qui se fait dans d'autres juridictions, les métiers et l'acquisition des compétences connexes par l'entremise de l'apprentissage ne sont pas toujours estimés à leur juste valeur. Nous croyons donc que les jeunes Ontariens et Ontariennes qui veulent pratiquer un métier doivent avoir accès à l'information et aux programmes qui les mènent à des emplois rémunérateurs en fonction de leur habiletés et selon leur choix de carrière.

Plusieurs des députés, au cours des débats entourant le projet de loi 55, ont fait état de l'importance de recourir à différents modes d'apprentissages et de la nécessité de mettre en place l'infrastructure nécessaire pour équiper les jeunes et les personnes qui veulent acquérir de nouvelles compétences. Nous sommes en accord avec ces propos, qui soulignent la nécessité de se doter d'outils pour que nos apprentis contribuent au marché du travail et à l'économie ontarienne. La Cité collégiale considère qu'elle a un rôle important à jouer en ce sens, et je pense que vous en conviendrez, plus particulièrement auprès des jeunes Ontariens d'expression française.

Nous appuyons le fait que les critères de l'apprentissage doivent être dictés par les secteurs industriels qui emploient ces métiers, soit par le biais de comités provinciaux ou des comités consultatifs locaux. C'est pour cette raison, d'ailleurs, que nous avons déjà mis sur pied, nous à La Cité collégiale, depuis quelques années divers comités consultatifs composés de représentants des employeurs de l'est de l'Ontario pour nous aviser dans nos programmes d'apprentissage. Cette approche fait en sorte que les jeunes qui graduent de notre institution sont capables de relever le défi de leur employeur et que leurs compétences correspondent au besoin du marché de travail. Il est à souhaiter que la loi 55, ainsi que la réglementation qui en découlera, donnera un appui à cette approche consultative.

La Cité collégiale souhaite que ces comités tiennent aussi compte de la réalité des francophones de l'Ontario. Nous devons avoir une présence au sein de ces comités provinciaux. Lors du discours du trône, le premier ministre mentionnait que les Franco-Ontariens sont une valeur ajoutée importante à l'économie de la province. Je

suis convaincu que les industries francophones voudront participer au succès de la réforme de l'apprentissage.

Le document de travail sur la réforme de l'apprentissage qui avait été publié en décembre 1996 définissait l'apprentissage comme étant «une méthode de formation selon laquelle des professionnels expérimentés transmettent leurs connaissances et leurs compétences à des apprenantes et des apprenants sur les lieux mêmes du travail.» La Cité collégiale croit qu'elle peut et doit jouer un rôle de premier plan afin que les jeunes francophones aient accès à la formation pour ensuite bien maîtriser le métier qu'ils auront choisi.

Nous favorisons l'approche de flexibilité que le projet de loi veut apporter à la gestion des programmes d'apprentissage, tout en appuyant fermement le besoin d'avoir l'infrastructure adéquate en place. Par exemple, le collège n'a plus à démontrer son admissibilité pour être un pourvoyeur de formation de qualité. La Cité collégiale est en mesure de répondre aux critères approuvés par l'industrie et peut s'adapter à diverses modalités de prestation de la formation, soit en offrant une formation à distance, soit par l'apprentissage assisté par ordinateur ou encore en mode accéléré. Nous avons même commencé à offrir nos programmes d'apprentissage dans les écoles secondaires depuis deux ans. Toutefois, un système flexible requiert une certaine masse critique d'inscriptions pour nous amener à investir dans des infrastructures et des modes de formation diversifiés.

Mais vu le bassin francophone plus limité en Ontario, nous demandons au gouvernement de tenir compte de nos réalités afin d'assurer un accès continu à la formation en français. Sinon, les jeunes francophones pourraient se voir forcés de suivre la formation en anglais et leur succès pourrait en être affecté.

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Par exemple, la loi permettrait aux apprentis de choisir l'institution où ils feraient une partie de leur apprentissage. Ceci pourrait avoir pour effet que les apprentis de langue française, qui veulent obtenir leur formation dans leur langue, soient défavorisés du fait que le collège ne puisse offrir autant de points d'entrée au cours de l'année que les collèges anglophones, car le marché francophone est plus restreint. Cela étant dit, nous sommes toutefois encouragés par l'objectif de doubler le nombre d'inscriptions en apprentissage de 11 000 à 22 000 par année au cours des prochaines années. Le projet de loi 55 propose d'instaurer des frais de scolarité pour l'inscription d'un apprenti. Même si La Cité collégiale est d'accord en principe que l'on doit responsabiliser les apprenants, car ils seront plus portés à vouloir rentabiliser leur investissement s'ils ont à défrayer une partie de leur formation, la réalité fait en sorte que cette approche pourrait diminuer l'accès à la formation et à l'apprentissage. Nous souhaiterions voir d'autres mesures pour responsabiliser et motiver les apprentis autrement qu'en imposant des frais de scolarité pour s'inscrire à un programme d'apprentissage, et nous sommes prêts à travailler de concert avec le ministère de l'Éducation et de

la Formation pour trouver des solutions à cette problématique.

La Cité collégiale croit fermement que la loi et les règlements qui en découleront doivent maintenir l'accès pour les francophones. Pour ce faire, il faut tenir compte de la situation relativement nouvelle des francophones en Ontario qui sont en train de mettre sur pied l'infrastructure en apprentissage et en métier.

En terminant, La Cité collégiale réitère sa position qu'elle exprimait l'an dernier, à savoir que si le gouvernement désirait confier certaines fonctions administratives de l'apprentissage à différentes entités, celles des francophones devraient être assumées par les collèges francophones. L'apprentissage des métiers pour les francophones est différent. Compte tenu de cette particularité, nous sommes d'avis que son administration se ferait beaucoup plus facilement, et probablement de manière moins coûteuse, par des francophones.

Encore une fois, en terminant, nous exprimons notre appui pour la réforme de l'apprentissage et nous vous remercions d'avoir bien voulu recevoir nos commentaires.

The Acting Chair: Thank you, Mr Leroux, for your presentation. We have about three minutes per member, and I'll ask Mr Lessard to start the questions.

Mr Lessard: I think that everybody agrees that increasing the number of young people who engage in apprenticeship training as a career move is a good goal. My question is, does Bill 55 get us anywhere near going in that direction? You've mentioned that tuition fees could be a disincentive for students to consider skilled trades as a future occupation. I wonder, if there is going to be a doubling of the number of apprentices, what sort of apprentices we are going to have. Just to call them apprentices for the sake of doubling the numbers I don't think is a very good direction to go, and I see a lot of other disincentives for young people to consider skilled trades as an occupation in Bill 55. I'm wondering what you see in the bill that will encourage doubling of the numbers of apprentices.

Mr Leroux: On the positive side, we believe that there is a demand for a greater number of apprentices in our area and that there is a demand for more training in that field. From that perspective, we're quite encouraged by the government's proposal to increase the number of registrations. Perhaps with that will come some assistance to establish the proper infrastructure to do such a thing. If not, we can't do it.

That being said, my remarks earlier on tuition fees remain, and that is that we have some concerns about the potentially adverse impact or effect of implementing tuition fees. But we also hear from informal, very informal, discussions with ministry officials that perhaps this tuition fee will be relatively low. We don't know for sure yet what that's going to be, but certainly, if the tuition fees were to be prohibitive in any way, shape or form, it will have an adverse effect on access, there's no doubt about this, even more so among the francophone community because we are dealing with people who have much less

schooling on the average than you would find in the applicants in the English-language colleges.

As it relates to the other things we see that are positive, we support quite strongly the flexibility that appears to be promoted in the bill. We believe that it's time to approach training in a much more flexible, adaptable way to the realities of the applicants in our industries here locally. From that standpoint, we're quite encouraged by the bill.

Mr Gilchrist: Thank you, gentlemen. I also appreciate the opportunity to bone up on my French. In your answer to Mr Lessard, you alluded to the point in your presentation that I wanted to pick up on, and that was flexibility.

We've heard an awful lot over these last four days about a number of changes people are reading into this act. Ironically, many of them relate to the regulations that are in force under the current act, such as grade 10, as the parliamentary assistant mentioned a few minutes ago. So we're being pulled in both directions. People are telling us that in the absence of the regulations they can't form a complete opinion, but they're assuming that certain things won't be in the regulations that are in the current act.

What sorts of barriers do you see in the current act to the goal that Mr Lessard and almost every presenter have shared with us, and I think I can say with you, about the need to expand the number of apprentice positions? Is it your impression that the regulations and the laws as they exist today are so inflexible — I don't want to lead the question — are designed from a time in the 1960s, and some amendments even more recently, where the workplace was very different and far more stable? What suggestions would you make to us when we consider the regulations that will be attached to this bill to ensure that the flexibility is built in right from day one and 30 years from now we're not sitting here rehashing this issue, as we are today?

Mr Leroux: Certainly, some things that work quite well in the current system are going to be lost. One of them is the whole seat purchase approach. For us, being a new institution in a minority environment, this seat purchase approach that we have known up to this day has been very helpful. It has provided some stability; it has allowed us to plan our development; it has allowed us to invest in some ways in our infrastructure; it has allowed us to also be a bit more strategic in our approach. It has allowed us to know at least 12, 14, sometimes 15 months ahead of time what to expect. That is quite important for a young institution, a small institution, and an institution in a minority environment, very important.

We're losing that, and for us, this is a big loss. We assume we're going to lose this. We don't see anything that suggests there will continue to be a seat purchase approach where the government will come to us and say, "We will buy 15 seats for 15 programs in the next year and you will offer the programs." The proposal is that the applicants will choose where they study and they will pay some sort of a tuition fee.

Therefore, if a large English college, for example, in Ottawa-Carleton decided to offer admission to a program every two months, the same program that could start every

two months, there is a critical mass of students to do that here in English. There isn't in French. We can do it only once a year. Therefore, what do you think the young bilingual francophone will want to do? He or she will not want to wait until September to enrol in the program. He or she will join the program in English because they want to do it now. The employer may apply some pressure to do that too. So we're losing that. That is a barrier for us in some ways in the proposed new legislation.

As it relates to the flexibility issue, I've expressed some positive angles to that, but there is also a downside to that to some extent. It's quite popular nowadays, it's very "in," to suggest self-administered apprenticeship approaches or models. But we have to remember that we are dealing with a clientele that is perhaps less educated and less skilled to use this kind of development and learning tool. Therefore, there will always be a need for support.

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The flexibility approach is very nice, but there will always be a need for a lot of «encadrement», of support to do this. We think there's something we may be losing in this new approach here, from that standpoint, in going towards more alternative types of models of delivery. Spontaneously, these are the two things that come to my mind.

Mr Gilchrist: I appreciate those comments, thank you.

M. Patten : Merci de votre présentation. J'ai deux questions. Un, est-ce que vous avez de la compétition dans le secteur privé, par exemple, ou chez d'autres collèges ou institutions partout en Ontario qui dirigent des programmes de formation comme vous le faites ?

M. Leroux : Comme vous savez, dans l'ensemble de la province, à moins que je ne m'abuse, je pense que 95 % de la formation de l'apprentissage est présentement offerte par les collèges d'arts appliqués et de technologie. Donc, il y a assez peu de compétition pour l'ensemble des collèges. À plus forte raison, nous ici dans la région, en français, on n'a pas vraiment de compétition sérieuse au niveau des instituts privés. Au niveau des collèges communautaires publics, évidemment, le Collège Algonquin étant de la dimension qu'il est, a une capacité d'attraction beaucoup plus forte que nous autres on aura jamais. Alors dans ce sens-là, il y a une menace que la communauté francophone, qui voudra se faire servir de façon plus prompte, ira s'inscrire ailleurs en anglais.

M. Patten : Il me semble que les raisons pour l'existence de La Cité collégiale existent aussi dans ce domaine. Je me souviens qu'on avait établi le collège il y a huit ans parce qu'il y avait un besoin pour un collège pour les francophones, pour apprendre dans leur culture, dans leur langue. C'est mieux d'avoir un contexte comme ça, différent d'un cours ou de quelques cours ajoutés dans un autre collège, Algonquin, par exemple, ou d'autres. Alors je veux poser cette question : dans le domaine des Franco-Ontariens, c'est à dire là où il y a beaucoup d'entreprises francophones, vous avez un rôle spécial. Mais à cause du nombre de gens et du nombre de cours que vous pouvez donner aux étudiants, il me semble que

vous avez posé des questions pour avoir une certaine sensibilité d'accepter les réalités que vous avez maintenant, n'est-ce pas ?

M. Leroux : Définitivement, le succès que nous avons connu avec nos mille apprentis qu'on a gradués depuis cinq, six ans est largement dû au fait qu'ils ont appris dans un environnement et dans une langue qui leur sont familiers. Sinon, on n'aurait pas connu ce succès-là, c'est certain. Ce qui est intéressant, c'est que ce ne sont pas seulement les entreprises francophones qui font appel à nos apprentis ou qui participent à nos programmes. En fait, un très grand nombre des entrepreneurs avec qui nous travaillons sont des entreprises anglophones qui veulent avoir des apprentis ou des employés bilingues dans leur entreprise.

Alors on travaille des deux bords, mais il n'y a aucun doute que la menace est plus grande pour nous parce que nous sommes plus petits, et que deuxièmement nous oeuvrons dans une langue minoritaire, et que troisièmement nous sommes nouveaux. Conséquemment, on a besoin de stabilité et de planification dans nos développements en apprentissage, et ça c'est un peu remis en question. Mais le ministère de l'Éducation et de la Formation, je dois le dire, a toujours fait preuve d'une très grande sensibilité à ces facteurs-là, et nous espérons que cette sensibilité-là continuera de se manifester.

Le Président : Merci, M. Patten. Thank you very much.

WALLS AND CEILINGS TRAINING CENTRE

WALLS AND CEILINGS CONTRACTORS ASSOCIATIONS

The Chair : With that, we will move to the next deputation, the Walls and Ceilings Training Centre. Good afternoon, gentlemen.

Mr Don Guilbeault : Good afternoon, Mr Chairman. My name is Don Guilbeault. I'm the secretary-treasurer of the Walls and Ceilings Training Centre. I'm also the business manager of local 2041 of the Carpenters' Union, acoustic and drywall division, of Ottawa.

Mr Gord Kritsch : My name is Gord Kritsch. I have been asked by the president of the Walls and Ceilings Contractors Association to represent them today. Unfortunately, the president couldn't make it. I act as legal counsel to the board of trustees for the joint employer-union trusts and I am also sitting on the board of directors of the Walls and Ceilings Training Centre.

Mr Guilbeault : We are going to be doing a joint presentation. I'm going to start off with the background of the training centre and I'll be passing it on to Mr Kritsch.

The Walls and Ceilings Training Centre is a non-profit corporation established and managed jointly by the Walls and Ceilings Contractors Association and local 2041 of the United Brotherhood of Carpenters and Joiners of America. In establishing the WCTC, these founding partners recognized the mutual need to ensure the local provi-

sion of a full training program to apprentices in the acoustic, drywall and lathers trade.

At the time of its inception in 1997, local 2041 and the Walls and Ceilings Contractors Association were responding to the reality of provincial government cutbacks which reduced the availability of publicly financed apprenticeship training through the community colleges. In this endeavour, the WCTC has managed to create an excellent apprenticeship program covering all aspects of the trade. In fact, the WCTC uniquely provides its apprentice training program in a bilingual educational format.

I'll pass it on now to Mr Kritsch.

Mr Kritsch : I'll start with some general comments. Bill 55 in its present form is rife with uncertainty. Many of the crucial details of how the new system would function are simply left out at this point. This approach keeps stakeholders guessing at how the act will function and makes it difficult to put forward a critique of the proposed structure. It would be more appropriate for the government to simultaneously put forward the requisite regulations which are intrinsic to the administration of the new act.

As well, the drafters of this bill have obviously disregarded the unique concerns of various stakeholders who emphasize the unique circumstances facing the trades within the construction industry.

Bill 55 embodies an approach to training which values reduced public expenditures, reduced wage rates for labourers and privatization of public decision-making to industry.

Bill 55 marks the end of a long-standing societal concern for ensuring that individuals are trained and able to fully perform the entire range of tasks within defined trades. The new system allows for the carving out of skill sets as subsets of the skills now within the currently established trades.

The long-standing concern for ensuring work quality, health and safety was previously addressed by the creation of compulsory trades. The new legislation no longer speaks of trades or compulsory trades, but rather only of restricted skill sets. The unique concerns of construction industry stakeholders, given the nature of the work performed in construction, have again been completely disregarded. There is no assurance that unskilled or semi-skilled workers will not be performing tasks currently restricted to compulsory trades. Since no regulations have been put forth simultaneously with the new bill, it is completely unclear whether any of the defined trades currently deemed compulsory will be defined as restricted skill sets under the new legislation. All that is put forward in Bill 55 is the machinery enabling the government to dismantle existing trade definitions.

At least as concerns the construction industry, there must be more of a focus on fully preserving the trades' definitions and on ensuring that only fully trained and qualified individuals perform construction work.

As well, the new legislation will not increase labour mobility, as is suggested by the ministry. Instead, it will cause an erosion of the overall stock of skills and, over

time, will likely reduce the average level of skill of a typical tradesperson.

I might add at this point, I've been sitting here for several hours now and we keep hearing about items that are missing from this piece of legislation such as skill sets. To put out a piece of legislation or a proposed piece of legislation like this, where the regulations are such an integral part of the legislation, seems to me to be a complete fallacy. How can we, any of us who are presenting here today, possibly comment on a piece of legislation where the regulations are going to be so governing to that piece of legislation without at least some proposed regulations?

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In terms of the role of industry committees, again, the new legislation offers only uncertainty. The role of these committees is not clearly stated. We have always held firmly to the belief that the previous PACs should have been granted more power to implement changes to the apprenticeship training standards worked out collectively by industry stakeholders. The record of the past is one in which the PACs were largely powerless to ensure that collectively determined standards be put into effect.

Bill 55 states that the new industry committees will perform advisory functions and will be able to "develop and revise apprenticeship programs for approval by the director." Thus, there still exists a great risk that these new industry committees will collectively work in vain to establish standards and programs which will, once again, be lost in the bureaucracy. It is really ironic that yet another structure with centralized power placed in the hands of an appointed director is now put forth by a government which has repeatedly and publicly stated its disdain for bureaucrats.

Consistent with this misguided centralized approach is the complete absence of any role for any sort of local committees resembling the current LACs. Local committees should be created and given real power to influence the province-wide industry committees. This would increase the accountability of these new industry committees and ensure that some power continues to flow from the bottom upwards in the new system.

Again, we see that the unique concerns of construction industry stakeholders have fallen on deaf ears. There is nothing within the current proposals which addresses the request for sectoral councils which could address sector-wide training issues.

In terms of trade unions, incredibly, the provisions of the act vaguely specifying the role of industry committees make no mention of any role for trade unions. Subsection 4(1) clearly envisions a future in which these industry committees receive input from employers but not from the trade unions or their representatives. Preventing or minimizing trade union input into the work of these committees would be an outrageous error for very obvious reasons.

Consider, if you will, the Walls and Ceilings Training Centre, which we represent, as an illustration. By creating this entity, it was the local trade union which took the initiative to remedy the current government's failure to ensure adequate apprenticeship training. It was the trade

union which was in a position to ascertain what quantity of apprenticeship training was necessary. It was the trade union which responded to local market conditions and ensured the supply of this public good in the face of the current government's failure to do so.

It was local 2041, along with the Walls and Ceilings Contractors Association, that worked together to establish the Walls and Ceilings Training Centre. It is up and operating and is extremely successful. This is only one example of the crucial role played by trade unions in ensuring that the system remains responsive to the real needs of the public. Trade unions must be made a central partner in the new system and the legislation should reflect this need.

Although Bill 55 contains little substance on this issue concerning wages and ratios, it is clear from the back-grounders released by the minister that wages and ratios will no longer be mandated by regulation. This is part and parcel of the overall reduction in the quality of apprenticeship which will flow from the new system. Wages and ratios are a key instrument in the preservation of quality of training.

Through Bill 55, the ministry is essentially privatizing a key part of the quality control mechanism to employers, the same people whose training quality is supposedly being monitored. Wage and ratio discretion must not be left solely in the hands of the employer, or the sponsor as it now will be called. Particularly in the construction industry, the reduction of wage and ratio standards would create tremendous downward pressure on wages. Apprentices would be caught in a race to the bottom over wages and quality training. As apprentices compete for training positions with sponsors, their bargaining power would be severely reduced by the lack of enforceable standards over wages and ratios. Market competition will logically result in a greatly increased incentive to use greater amounts of unskilled people working for ever lower wages. In fact, it has further been shown in several industries and has been recognized by labour economists that the low wage rate itself acts to reduce productivity and work quality.

In terms of employer-employee relationships, again the clear intention of the drafters of Bill 55 is unclear. The ministry speaks of a shift in focus away from the employment aspects of the relationship to a focus on training. What does this mean? This is rather empty rhetoric and seems only to reinforce our concerns about wage and quality reductions. Any new legislation must, at a minimum, ensure that the provisions of the Employment Standards Act apply to the apprenticeship relationship.

Mr Guilbeault: In closing, I'd just like to add that we are very concerned, the contractors' association and the united brotherhood of our apprentices. We know the government is setting up tuition fees, which we are aware of. We are preparing to establish help for our apprentices to go to the training school. Many of our apprentices are married, have families, have a mortgage. Paying tuition fees and possibly lowering their wage scale would have a tremendous effect on them continuing to go to school.

I would like to use Mr David Caplan's statement that he has made in the past, "Are these the actions of a

government that is serious about the issues of youth unemployment?" If you are, you should step back a bit and maybe think again about passing Bill 55. I think it's very detrimental to the organization of the construction industry.

I want to thank you for letting us come here to present our deposition on behalf of the Walls and Ceilings Contractors Association and the Walls and Ceilings Training Centre.

The Chair: Very good. Thank you for your presentation, which leaves us a couple of minutes per caucus for a single question. I'll start with the government caucus.

Mr Gilchrist: Thank you both for your presentation here today. There are many common themes running through yours that we've heard before, and that's not surprising. This is something you might not be aware of. You mention a number of things that aren't in there. Every one, except one possible interpretative section, is in the existing act. There were no regulations put forward when that bill was introduced. It says in there the role of industry committees is just to advise and assist the Lieutenant Governor, meaning the government. It didn't define any role on the industry committees for trade unions, for example.

We certainly hear you, but I think people outside who may read Hansard would form the wrong impression if they thought this was something that was in the current law that was going to be lost. We do recognize obviously — I mean grant us at least that we do consider the ramifications of bills as they go forward. I think what we have before us here now, more than anything else, is a different interpretation of some of the wording that's in the law there.

As I said to one of the earlier presenters this afternoon, I have every confidence we're going to be able to take the submissions that people have made over these last four days and change that wording in a way that will absolutely clarify that important issues, such as health and safety, electricians doing work that touches all of our lives — we're not going to compromise that and it will be just as clear in your sector.

I just want to ask you, given that so much of what we're talking about in the current statute is in the regulations, why would your perspective not be that everything you're asking for still can be done under the regulations? I accept that in the legislative process you have to pass bills first before you can draft regulations. Maybe that's something that in the fullness of time the government has got to look at, but given our commitment to making sure that these sorts of issues are dealt with, do you know of any reason why the regs couldn't cover off all of the concerns that you've raised here today?

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Mr Kritsch: Perhaps they could, and if that's your intention, why wouldn't you at least put forward — it doesn't have to be a draft of regulations — a paper that may indicate what would be contained in the regulations so that at least when we're here, we could be talking with

some intelligence of what is actually going to be the case when the act is passed.

You made an interesting point about industry committees. You suggested that industry committees were only vaguely mentioned in the previous act, but industry committees now exist. They're real, they operate. Surely you recognize and realize that they operate very well. If they do operate very well and we're satisfied with them, why wouldn't mention be made of them, if not in the act, at least a reference be made in speaking that they may be contained or built upon in the regulations?

The Chair: A very brief question from Mr Smith?

Mr Smith: I have no questions.

The Chair: Then we go to the Liberals.

Mr Patten: Thank you for your presentation. I appreciate your candidness, and frankly I agree. It seems to me that the degree to which governments trust their partners, to that degree will they limit or expand the regulations? I think, and I won't put words in your mouth, but the pattern for this government has been more and more with almost every piece of legislation to expand the areas of regulation from within. Frankly, if I were in the labour movement or in the trades field, I wouldn't have much to base it on. "Trust me, we will take your needs into consideration."

I think it's perfectly reasonable, more than reasonable to ask why this can't be put into legislation and, if not, then why can't you table the regulations that have come forward, which has been done in the past? That is not an unusual request to have made.

Mr Kritsch: We share the same concerns. It is fearful for us to be here talking in a vacuum and knowing this is the only opportunity that we're going to have to speak about a piece of legislation that can be so significant to us. As a lawyer, I also understand what happens when regulations are written. They can often change the meaning of the very few words that are contained in an act when they talk about skill sets, for example. Skill sets are briefly mentioned in the proposed legislation, but we can be pretty sure that the regulations will be extensive in terms of skill sets. We have no input, we have no idea what it's going to look like.

Mr Lessard: Thank you very much. We've been asking for the government to table their regulations for some time now and they've been reluctant to do that. The only evidence we have as to what those regulations may look like is this one-page document, which says Framework for Revised Regulation. I don't know if you've seen that, but it's pretty brief.

Mr Kritsch: Yes. There's nothing there.

Mr Lessard: It doesn't have much substance. I'm a lawyer as well and understand the significance of placing items in legislation because they indicate the importance that the government places on those provisions. When you don't see certain things in the legislation, it's an indicator that maybe it isn't so important and it can be left to regulations that can be easily changed by cabinet.

One of those regulation-making powers says that the minister may make regulations providing for any transitional matter related to the coming into force of this act. It

really leaves it wide open to pass any regulation that they think. It may even be a regulation that changes the intention as is stated in the legislation. This really is just a bare-bones framework of what the government intends to do. I don't know whether you have any comments on that. I don't have a specific question.

Mr Kritsch: My only comment would be to simply reiterate, if you wish to have the co-operation and buying in of the stakeholders in the construction industry, for example, give us all of the information and then let's go to work on the information. Don't just supply a proposed piece of legislation that leaves so much out there that is totally unknown and we are very fearful of what will be forthcoming.

The Chair: Thank you very much for your presentation here this afternoon. We appreciate it.

ONTARIO PIPE TRADES COUNCIL

The Chair: I call the next deputation, the Ontario Pipe Trades Council. Please give your name for the members of the committee and Hansard.

Mr Jerry Boyle: Good afternoon, ladies and gentlemen. My name is Jerry Boyle, business manager of the Ontario Pipe Trades Council. I had hoped today to have with me a representative from the MCAO. They were unavailable but did do their presentation in Windsor through John Fahringer, who was your first management and first speaker on the Windsor agenda. They do support our position.

I have spent the past 40 years of my life in the construction industry. I began as an apprentice steamfitter in 1958 and completed my tenure in 1964. I served on the plumber-steamfitter provincial advisory committee for apprenticeship training and as a resource person after my term was completed. I have been the Canadian representative to the international steamfitter-pipefitter apprenticeship committee for 14 years. From 1974 till 1990, I served as the chair of the local apprenticeship council in Windsor. I've been an instructor in the apprentice and journey-person upgrading programs for the local apprenticeship council in Windsor, beginning in 1968. I'm very proud of my trade background and know the importance of a proper apprenticeship program.

The OPTC represents more than 13,000 plumbers, steamfitters, sprinkler fitters, refrigeration workers and air conditioning mechanics across Ontario. Our trades have trained apprentices towards certification as journey-persons for more than 100 years. We are proud of the quality of our training and the work we do. More importantly, proper training and certification for the trades assures the people of Ontario that their health and safety, as well as the environment, are protected.

The introduction of the new Apprenticeship and Certification Act, 1998, however, changes all of this. Bill 55 undermines what is considered one of the finest apprenticeship programs in the world. It is an expression of an ideology that says our young people do not deserve the chance for a basic education and for skilled jobs that will

lead to a stable career. It removes any of the assurances of consumer and environmental protections offered through skilled trades.

The construction industry has, for many years, been a leader at providing apprenticeship opportunities for youth. This is widely recognized by everyone. The ministry's own survey of apprentices has confirmed a high level of satisfaction with how the current system provides them with excellent careers.

The construction industry, both management and labour, has spent considerable resources in providing advice to this government on reasonable reforms to apprenticeship. Over the course of these hearings, this committee has heard from apprentices, journeypersons and contractors in the construction industry. They've all said the same thing. Bill 55 does not reflect the advice that they have provided during the consultations. It's particularly discouraging to see that the benefit of our industry's expertise in apprenticeship training has been wiped away.

Bill 55 is fundamentally flawed. It either fails to address or improperly addresses a range of issues that are central to an effective and efficient trades qualification and apprenticeship system. I would like to highlight these issues through my presentation and refer you to the attached list of recommendations which the OPTC believes are required to salvage Ontario's trades qualification and apprenticeship system.

The contractual relationship between an apprentice as an employee and an employer is at the core of apprenticeship training. Strangely, Bill 55 eliminates the requirement that there be an employer; rather the bill seeks to replace employers with sponsors. So the fundamental requirement that an apprentice be an employee in a trade is now to be eliminated. This has been a major concern from witness after witness appearing before this committee.

Within the current TQAA, sponsoring agencies such as local apprenticeship committees are recognized as delivery agents within the definition of an "employer." The minister has stated that the purpose for introducing the concept of a sponsor was to better reflect the role of such delivery agents. However, Bill 55 also eliminates the definition of "employer." The concept of a "sponsor" does not denote an employer.

Neither the Employment Standards Act nor the Occupational Health and Safety Act make provisions for a sponsor. As such, their protections would not apply to an apprentice who is not under a formal employment contract with an employer. Further, the notion of workplace-based training does not carry the same employment obligations or responsibility implied by on-the-job training. The minister says, "The sponsor could be an employer." Bill 55 must state that a sponsor is an employer.

1450

The industry's role in apprenticeship training: Throughout the consultations, the construction industry said that one of the key problems with the Trades Qualification and Apprenticeship Act was that the provincial advisory committees did not have a significant enough role in determining the apprenticeship training needs of its trades. We

asked for empowered trades committees. Bill 55 does nothing to address this situation. In fact, it makes it worse.

Bill 55 centralizes control over apprenticeship training in the offices of the minister and the director of apprenticeship. The bureaucracy will now control apprenticeship training in Ontario, not industry. The industry committees proposed under Bill 55 remain advisory, and their appointment is at the discretion of the minister. Instead of advising the minister, as they do under the TQAA, Bill 55 proposes that they advise the director of apprenticeship. The issues on which they may advise are downgraded. The committee will have no real power or role in the new apprenticeship model.

Without amendments to Bill 55 that strengthen the role of industry and mandate the setting of education, wage rates and apprentice-to-journeyman ratios, the integrity of the apprenticeship system, the health and safety of skilled workers, and consumer and environmental protection cannot be guaranteed.

Trades versus skill sets: The regulation of trades is in the best interest of training and is necessary for safeguarding the health and safety of workers, productivity of employers, and for consumer and environmental protection. Regulations assist in defining the standards required to become competent in the trade. They also lend some force to ensuring the standards are adhered to across the sector.

Bill 55 eliminates both the concept of trades and the intent to certify complete trades, such as plumbers, steamfitters, refrigeration and air conditioning mechanics, and sprinkler fitters, and replaces them with narrow skill sets. In other words, regulated trades would not exist. Since compulsory trades are to be discontinued, anyone, trained or not, could call themselves plumbers, steamfitters or whatever trade they wish to be recognized in.

In the construction sector, workers who are not properly trained in the safe, efficient operation of equipment and machinery, for example, pose a safety threat not only to themselves but to the general public. It is important for the tradesperson to fully comprehend the entire trade in order to understand the consequences of any actions they may take. There is ample evidence that when governments take a pure consumer-beware approach, the risk to the public increases. Recently, we have seen this in dramatic fashion in the trucking industry, which has forced this government to require compulsory training and certification with respect to maintenance.

Specified time periods for apprentice training: Time requirements permit apprentices to experience a variety of training environments and types of projects, such as those involving hospitals, factories, high- and low-rise housing, water and waste treatment plants, paper mills, mining, oil and chemical production, as well as many other aspects of the industry. If the time component is eliminated, certain apprentices will be kept in that status for extended periods of time to be used as inexpensive labour, or, conversely, pushed through the system too quickly. It is important to note that an apprenticeship is not just a group of skills; it is an education in a full trade that takes time.

Part-time and self-employed apprentices: As previously noted, apprenticeship is fundamentally a system where a journeyman teaches the trade on the job to apprentices. The concept of self-employed apprentices verges on the ridiculous, since the persons would be left to teach themselves highly complex trades, which would result not only in poor training but real danger, not only to the individual but to the consumers. With respect to part-time apprentices, the system already accommodates workers who face a changing work situation, such as layoffs.

Opening the apprenticeship training to new occupations: Let me clear up a misconception that surrounds the current TQAA. There is nothing in the current act or in its regulations which prevents new trades from developing apprenticeships and joining the system. In fact, a number of new trades have been designated. It is important to understand, however, that apprenticeship training is a major investment on the part of employers, and the lack of will on the part of certain sectors is a tangible barrier. It makes no sense to destroy the time-tested training system of one sector, for example, construction, to solve problems in another.

Thus it is particularly discouraging, since even the ministry's project team knows that approximately 90% of the cost of training is incurred by the employees, the apprentices or their unions. The remaining 10% is currently covered by provincial and federal subsidies. We could challenge anyone to identify a more cost-efficient training system anywhere. The members of the united association I represent in Ontario contribute more than \$1.5 million per year into training. The unions affiliated with the OPTC have 15 full-time training centres across this province that provide the latest in training programs.

Interprovincial mobility: Benefits such as province-wide standards and interprovincial mobility will be victims of Bill 55, since they rely on the industry playing a key role in the development of standards and in ensuring that these standards are consistent. Here in Ottawa, interprovincial mobility is a major issue. Ontario's construction workers are already facing an unfair playing field when it comes to workers coming from the other side of the Ottawa River. Bill 55 will make things worse. The elimination of trades qualification and the certifying of narrow skills will undermine the competitiveness of Ontario's skilled workers. In the Ottawa area, the result could well be that contractors will begin to look out of province for the skilled people who, until Bill 55, they have been able to count on on this side of the river.

Safety issues: As was stated in the provincial labour-management health and safety committee report, Ontario has one of the best safety records in Canada. It is hard to believe that at a time when health care and the environment are among the highest priorities, this government wants to undermine the trades that ensure the integrity and quality of systems which control sewage, drinking water, hospital-medical gas, ozone-depleting gases such as refrigerants, school boilers, clean room piping systems and several other systems affecting our lifestyle. Proper training and certification of the trades assures the people of

Ontario that worker health and safety, consumer protection and environmental issues are being looked after. Until Bill 55, Ontario residents have been fortunate to take these basic safeguards almost for granted.

Minimum academic requirements are necessary for apprentices. The Ontario Pipe Trades Council finds it reprehensible that this government of Ontario would encourage youth to drop out of high school in the false hope of landing a job in one of the diluted, low-skill so-called occupations that the Minister of Education and Training wants to substitute for skilled trades. An excellent basic education for those entering the workforce will greatly assist apprenticeships in attracting high-calibre candidates who will be successful in the increasingly complex workplace.

The current legislated requirement for grade 10 as a minimum itself is no longer adequate for most apprenticeship programs. Experience has shown that those with only grade 10 entry level are often unable to cope with math, science and the other technical requirements of many trades. Because of the increasingly complex workplace, many trades have for several years demanded a minimum of grade 12 as an entry requirement. The ministry's own survey of apprentices indicates a high level of satisfaction with the educational requirements and that even the requirement for grade 12 education was not seen as a barrier by the apprentices.

Further, the government should not be encouraging students to leave high school before graduation to enter the workplace. This is particularly true if the government plans to dilute the trades and lower the skills of the trade requirements. The reforms to the TQAA were purported to modernize the apprenticeship system. It is hard to believe that we have an education minister who wants to remove even grade 10 as a minimum standard for apprentices when employers are increasingly demanding at least a high school diploma and often a college or university degree.

Minimum age requirements for apprentices: As with education requirements, employers are increasingly requiring apprentices to have a high level of maturity, necessary to work in highly complex and often dangerous construction sites. We should not be encouraging students to leave high school at a very early age to enter the workforce. This goes against everything we know about competitiveness and the requirements for skilled workers. It also sets young people up to be chronically unemployed, since they will not have marketable education and employment experience.

Apprentice-to-journeyman ratios: On-the-job training accounts for almost 80% of what an apprentice learns. It is vital that a properly trained journeyman supervise and provide training in all aspects of the trade to an apprentice. It is through the journeyman, not the workplace, that the apprentice obtains his or her trade. The rationale for having ratios is to assure that the skills of the trades are properly passed on and to safeguard the health and safety conditions of everyone in the work environment. Ratios are a practical training standard that must be pro-

vided for in the apprenticeship legislation. Without legislated ratios, ultimately economic considerations will determine the ratios, not training standards, and apprentices will become a cheap source of labour.

Regulated wage rates for apprentices: The minister says that quality training is not determined by legislated wage rates. He is wrong. In an apprenticeship system, wage rates are an incentive for apprentices to complete their training, and wage rates keep the focus on training. There is always a temptation for unscrupulous contractors to exploit apprentices as they proceed through the system. While employers incur a cost associated with providing apprenticeship training, the cost is adequately offset by the lower wages that are graduated with experience.

1500

As stated earlier, the relationship between an apprentice and an employer is unique. Apprentices are working people who must meet the requirements of their employers. They already make a significant financial contribution through reduced wages to offset the cost of on-the-job training. We can only expect that a further reduction in wages, added to the ministry's proposal to institute full tuition and administrative costs, will act as a real disincentive to new apprentices. The result will be fewer people entering apprenticeship programs, more dropouts, and ultimately a shortage of truly skilled tradespeople.

Conclusion: Ontario's apprenticeship system must be supported by legislation whose central purpose is the importance of training in a complete trade to worker health and safety and to consumer and environmental protection. Only with such focus can we guarantee the competitiveness of Ontario's workers and businesses. As stated at the outset, the construction industry has been a leader in apprenticeship training and we have been willing partners in the modernization of Ontario's Trades Qualification and Apprenticeship Act.

We are disheartened that our advice is not reflected in the legislation we have before us today. It is flawed. It has failed to recognize the basic tenets of the apprenticeship program and ignored the importance of trades certification and training. The OPTC strongly urges the standing committee to amend Bill 55 as outlined in our recommendations to preserve an effective apprenticeship system.

The Ontario Pipe Trades Council recommends that:

(1) The contractual relationship between the apprentice and the employer remain a defining characteristic of the apprenticeship system.

(2) Specific references to the importance of training in a complete trade to health and safety, consumer safety and environmental protection be reflected in the purpose clause.

(3) The following terms be identified and reflected in Bill 55: "employer" as specified in the current trades qualification act; that "workplace-based training" be defined as training that occurs within an employer-employee contractual relationship; certified trades; and that "apprentice" be defined as it is in the current act.

(4) All references to "restricted skill sets" be removed from Bill 55.

(5) Subsection 22(3) of the Industrial Standards Act not be repealed.

(6) Section 2 be amended to require the establishment of separate trade or occupation committees and sectoral committees, and that the minister shall establish provincial advisory committees or industry committees for each certified trade, and that each of these committees will be empowered to set and regulate wage rates and apprentice-to-journeyperson ratios; regulate and advise upon the certification of endorsements; determine the criteria for certification and letters of permission; and perform the functions proposed for the director as outlined in paragraphs 3(2)1, 2, 5 and 6 and that such committees be consulted prior to the issuing of guidelines affecting the concerned trades under paragraph 3(2)3.

(7) Sectoral advisory councils be designated in legislation with different functions from the PACs and would give advice on enforcement; new trades; linkages to secondary schools; funding allocations; youth apprenticeships; setting minimum standards where there is industry consensus; and promotion of the red seal program and national and provincial standards.

Thank you for your time, Mr Chairman and delegates. We really feel that Bill 55 is the Titanic of the apprenticeship system. Tow it back in and rebuild it. It's bad.

The Chair: Thank you very much for your presentation here this afternoon. We've exhausted the time.

ALMA MATER SOCIETY, QUEEN'S UNIVERSITY

The Chair: I call the next deputation, Alma Mater Society, Queen's University. Good afternoon. Please give your names for the members of the committee and Hansard.

Mr Milan Konopek: My name is Milan Konopek. I'm the academic affairs commissioner for the Alma Mater Society of Queen's University.

Mr Aaron Lazarus: My name is Aaron Lazarus. I'm the academic affairs deputy commissioner responsible for external issues for the Alma Mater Society at Queen's University.

Mr Konopek: Let me begin by thanking the committee for allowing us to speak with you this afternoon regarding Bill 55, An Act to revise the Trades Qualification and Apprenticeship Act.

The Queen's University Alma Mater Society was established in 1858 and now represents over 11,000 undergraduate students on campus in Kingston, Ontario. The AMS, which is a \$6-million corporation, has established a long history of presenting reasonable solutions to the problems facing post-secondary students in this province. The problems that we see in today's system revolve around three key issues: Tuition increases is the first, student debt is the second and accessibility is the third. We have read Bill 55 and conclude that by implementing this bill, the government of Ontario would be creating the same problems for the nearly 48,000 individuals currently enrolled in apprenticeship programs.

Section 17 of this bill is what we find extremely concerning. The section titled "Fees" reads, "The minister may establish and charge fees for applications made under this act, for examinations required under this act, or for any other function performed in connection with this act or the regulations." What this translates into for apprenticeship applicants is a tuition fee. The government backgrounder circulated on Bill 55 defends the proposed tuition fees by saying, "All other adult and part-time post-secondary students contribute to the cost of their advanced education and training." This is certainly true of university students.

What should be of great concern to this committee is the complete lack of clarity in this bill and from the government on what tuition levels will be. Will tuition be differentiated depending on the skills the applicant will be studying? The even larger question left unanswered by the government is, what percentage of a person's education costs is she or he responsible for? Post-secondary students in Ontario are all too familiar with this question and equally familiar with this government's response.

The Queen's University Alma Mater Society has never denied that students should bear a percentage of the cost of their education, as we believe that students will benefit, financially speaking, from their education in the long run. However, we must also recognize that society benefits from an educated populace. We don't pretend to have the definitive answer as to what percentage is an acceptable amount, but we do believe that this discussion needs to occur.

Mr Lazarus: In 1995 we thought we knew where Mike Harris and the Progressive Conservatives stood on this issue. The soon-to-be Premier wrote in a document titled Blueprint for Learning, a Conservative policy paper, that tuition fees should be allowed to rise to the point that students in the province of Ontario paid 25% of the cost of their education. But what actually happened? Since 1995, the current government has allowed tuition to rise 60%, where we now see, on average, students paying 35% of the cost of their education, with some students paying well over 50% of their cost of education. This was a promise made to the students of Ontario and a promise broken by the government of Ontario.

How much of the cost of their education does this government expect apprenticeship students to pay? If we were to have a solid figure put forward by the Minister of Education and Training, could we trust him to keep his promise? Can we trust a government that promised to keep tuition down to 25% of the cost of education and then deregulated some programs so that students now pay over \$10,000 a year in tuition fees alone, well over 25% of the cost of their education? We think that apprenticeship students have every reason to worry.

According to news accounts, another reason offered up by the government as they try to explain why apprentices should have to pay an unspecified amount of tuition is that it will help inject more money into the apprenticeship system. Will it? Let's look at the government's record.

Before they came to power, when a post-secondary student wanted to apply for student aid, they could do so free of charge. When an individual who was receiving student aid wanted to check on his or her account, that individual could do so free of charge. But this government decided to start charging those most in need for a mere application. It now costs \$10 just to apply, and if you are lucky enough to receive a student loan and you want to get an update on your loan, you are now charged \$2 for a call to a 1-900 number. The government has so far made \$1 million off the backs of students in need. But did this money go back into Ontario's student aid programs? Did it help inject more money into the student aid system? No, it did not.

It was discovered that this money went directly back into the general revenues for the government. This government seems to want to pride itself on being a tax-cutting government, but the students of Ontario who are in need of financial assistance know all too well that this government's record is one of creating new taxes and new user fees when those most in need attempt to receive assistance. If the government of Ontario could not be trusted to reinvest this money into the student assistance program, can we now trust the government to reinvest any tuition costs to apprenticeship students into that program?

1510

Mr Konopek: This leads to the second problem facing post-secondary students in Ontario today, a problem which we do not think should be extended to apprenticeship students, namely, that of exorbitant student debt and the dilapidated state of the Ontario student aid program.

In Ontario we see the average debt load upon graduation to be \$25,000, and that number is steadily climbing. Especially in an era of deregulation of programs, one can only expect that number to rise. In fact, there are documented cases at Queen's University of students graduating with a debt load of well over \$60,000. One can hardly expect that an individual starting out in life with a debt load of over \$60,000 will help grow the economy through consumer spending if he or she knows that their student debt is looming over them. It certainly does not take a degree in economics to know that whether the debt burden is carried by the government or by the individual, the economy will suffer either way.

Student leaders in this province have been saying for years that escalating student debt is a problem that needs to be resolved. The current student aid program in Ontario is not serving the students of Ontario well, and although the government insists on bragging about money put into the system, we know that last year 19,470 university students had unmet financial need totalling \$35 million.

The members of this committee will know that on October 28 of this year, the Queen's Alma Mater Society brought Chris Chmelyk to Queen's Park. Mr Chmelyk is a second-year engineering student who will have to drop out of school in January because he cannot secure enough funding to allow him to continue his education. Because of new rules brought in by this government, Mr Chmelyk has been told that he does not qualify for OSAP.

The government itself has even recognized that student aid programs in Ontario need a major overhaul. They promised during the 1995 election to reform the system and make repayment income-sensitive. Last February, the government's proposed changes were wholeheartedly rejected by students, policy analysts and the major banks, who all cited the government's failure to adequately address the issue of escalating student debt in its proposals.

On July 23 of this year, the Alma Mater Society met with Minister Johnson and asked him if he would try again. We asked him if he and his government would fulfil their election promise to improve the student aid program in this province. At that time he promised to have a framework for change in effect by September 30 of this year. It is now November 19 and we have not heard a single word from this minister in terms of his commitment to improve the student aid program in this province — yet another example of a promise made to the students of Ontario and a promise broken by the government of Ontario.

Mr Lazarus: While Bill 55 promises to introduce tuition fees to the apprenticeship system, it says absolutely nothing about creating a student aid program for apprenticeship students. It does say that it will deregulate their wages, in all likelihood driving down their earnings, while simultaneously charging them money to do that. But it does not mention one word about how the government will assist students in need. This government talks a lot about offering a hand up but in this case it looks more like a push down.

We have heard through media accounts that the minister does intend to introduce a new student aid program for apprenticeship students. Representing a group of students who have heard that line before, it would be irresponsible of us not to caution all those involved in the apprenticeship system to be very wary of promises from this government in terms of student aid. They've still got one outstanding promise when it comes to post-secondary education and show no signs of wanting to fulfil that promise in the foreseeable future.

The third problem that Bill 55 will create is a lack of accessibility to apprenticeship programs through the institution of unspecified amounts of tuition. This is another parallel that apprenticeship students will have in common with the post-secondary education community. We have seen that by allowing tuition fees to rise by 60%, the government of Ontario has set up a roadblock to education in this province.

A study was recently published in Maclean's magazine which reported that Ontario is now the most expensive province in Canada to go to school. We also saw a report by Statistics Canada last week that stated enrolment in Ontario universities had in fact declined this year, especially part-time student enrolment which fell nearly 10% in one year.

We believe the government plans to continue allowing tuition to rise and, furthermore, we believe the government will continue its agenda of deregulation of tuition fees

altogether. We certainly have not heard anything from the government to suggest otherwise. We believe this will lead to the further inaccessibility of post-secondary education. We are already hearing about students from middle- and low-income families who are not pursuing a post-secondary education because they simply do not believe they can afford the expense.

It is absolutely appalling to think that we are losing the potential of even one great scholar, one great engineer or one great doctor simply because the government of Ontario has decided it will starve the post-secondary education community of money and force institutions to raise tuition fees as a last-ditch effort to maintain funding levels.

Mr Konopek: It is our position that what we see happening to the idea of accessible post-secondary education, namely, its death, will also happen to the idea of accessible apprenticeship study. We have very clearly been moving in the direction of a two-tier education system and it would appear that this government is now set to make apprenticeship studies out of reach of the economically disadvantaged.

Students across Ontario have watched with great interest as the government of Ontario and the Progressive Conservative Party have each respectively gone on spending sprees, buying up ad time on television and radio. Could this money not have been better spent on reinvestments to post-secondary education?

Perhaps the members of the government party would be willing to tell us today what your plans are for post-secondary education in Ontario. Will your government allow tuition fees to rise again? Will your government continue down the path of deregulation, setting up roadblocks to accessible education? Will your government finally follow through on its promise to institute meaningful, progressive change to Ontario's student aid programs? All of these questions need to be answered. All of the students in Ontario demand to know what their provincial government has in store for them.

In terms of Bill 55, we offer the advice that all parties involved in the apprenticeship sector should be very cautious when it comes to government commitments. They should be very concerned about declining accessibility, skyrocketing tuition and insurmountable levels of debt. We have seen what this government has done to post-secondary education. We have seen the establishment of a record of promises made and promises broken, and we fear that the same lies ahead for apprenticeship students in Ontario.

The Chair: Thank you very much for your presentation. It's wonderful to see students here taking an active role in the future. With that, we have at this point a few minutes left for questioning. We'll start with the NDP caucus.

Mr Lessard: Thank you very much for your novel approach to apprenticeship changes in Bill 55. Most of the people we've been hearing from are apprentices, people in the skilled trades as well, so it's good to hear from students. You make that correlation between accessibility

and affordability of post-secondary education and how that relates to affordability and accessibility of apprenticeship education and training as well.

I think you've really pointed out the direction of the government's agenda, that is, moving towards a two-tier education system and a system which says that although governments should never have a deficit and should try and reduce their debt, it's OK for students and apprentices to have a debt. It seems pretty ironic to me because it really is a downloading of the responsibility that government has for developing the qualifications of our youth and the economy of the province on to the people who have the least ability to pay. I thank you for your presentation.

Mr Gilchrist: Thank you both for coming here today. As a former speaker of the Alma Mater Society, let me just note that some things never change, certainly not the perspective of the AMS.

A very brief history: It was the Liberal government back in the late 1980s that created the concept of allowing full-fee tuitions to be charged. They did it first with MBA programs. There's nobody graduating from an undergraduate program at Queen's with a \$60,000 debt. There may be an MBA student graduating, because the tuition is \$25,000, \$26,000 a year. What you've left out of your brief is that over 85% of the graduates had jobs before they left Queen's with an average starting salary approaching \$80,000, the top at \$150,000. So a \$60,000 debt load when you're earning \$150,000 doesn't sound like that onerous a task.

1520

You make reference in your presentation to section 17 and then draw an inference that that has something to do with tuition. It has nothing to do with tuition. It has everything to do with the identical clause in the 1964 act that allows the setting of fees for the processing of things such as application forms. The fees were specified by the NDP. They are listed in the existing regulations. Feel free to check them out. Nothing has changed. This bill will continue that concept.

Where tuition may come in, and the minister has been very clear — and it's quite relevant to your presentation — is if the federal government walks away from their responsibilities, as they've said they're going to do, on June 30 of next year. Then, yes, there is going to have to be a change in the approach to apprenticeship funding. We're not the ones who dropped the first shoe. They're the ones walking away from \$42 million.

While we're on the subject of the federal government and your presentation, you might want to reflect on why we don't have an income-contingent student loan repayment plan. There's one reason only. Since the fall of 1995, we've asked them to sit down at the table and create such a program.

I can't believe you don't have fax paper in the machine. You note there has been no response from July 23 — actually later than that — "a framework for change in effect by September 30." I saw the press release from the OUSA and the equivalent community college group com-

plimenting the government for agreeing with their consultation model for the development of a student funding loan program, so that's out there. The parent group of all the post-secondary student associations has thanked the government for recognizing that the federal government has dropped the ball and we at least are committed to making sure we have the most accessible, affordable post-secondary system anywhere in Canada.

The Chair: Thank you, Mr Gilchrist. We save the final comments for the Liberal caucus.

Mr Caplan: It's hard to outdo those last comments. It's hard to know where to begin. I'm not going to rant at the students like others might want to, and I want to give you an opportunity to respond to those last comments because they're way out there. I don't think they're reflective of any kind of reality. I'm going to let you respond.

My only comment is, apprentices, this is your future. We've seen what has happened in other strands of post-secondary education. The promises made, as you've put it, and the promises broken: the skyrocketing tuitions, the crushing debt levels, the changes to student assistance to make it harder to get assistance from this government.

I'm going to let you comment on all of the comments if you'd like, because I thought your presentation was excellent, and I think apprentices and young people of this province should take note.

Mr Koponek: I jotted down some very quick points, so I'll try to hopefully address Mr Gilchrist's comments point by point.

Yes, we are cognizant of the history lesson that you just gave us. We know that, clearly. However, your government is the one that is entrusted with making positive change at this very moment. It's not the Liberals, it's not the NDP, it is the Progressive Conservative Party, and we look to your government for leadership and positive change. Having said that, we haven't seen any of that. If tuition fees were a concern and student aid was a concern, that would have been altered. From your election platform, we have that in Blueprint for Learning, Volume Two.

Mr Gilchrist: It wasn't part of our election platform.

Mr Koponek: It was a Progressive Conservative Party document prior to the election in which you made the commitment.

Interjection.

Mr Koponek: Then I'm quite baffled. Are we just not to believe people, or any party for that matter, when they produce documents from that party prior to an election? I would say that's pretty naive of us and pretty disheartening. The fact still remains that over three years what has been constant is that government funding has been cut from university. Tuition fees have risen. However, there hasn't been any real attempt made to student aid reform in over three years. The record so far is three for tuition fee increases and putting students and future members of a productive economic society at a disadvantage; and in the loss column, student aid, which I think overshadows what you've done in the win column, if I may euphemistically call it a "win" column.

Mr Lazarus: If I could just add a few comments.

The Chair: Yes, very briefly, please.

Mr Lazarus: In response to some of Mr Gilchrist's comments, it's very easy, and we've seen this from the government on numerous occasions, to blame everyone else but the people who are in power right now. Mike Harris said during the summer that he is not the government, but I say to you that in 1995 you were elected and you were the government.

Mr Gilchrist, we asked you specifically in our presentation a number of questions. Will your government allow tuition fees to rise again? Will your government continue down the path of deregulation? Will your government finally follow through on its promises that it made about ICLRP programs? You did not answer any of those questions in your answer.

The Chair: Thank you. The time for debate is at another time. We do appreciate very much your input.

UA LOCAL 787,

REFRIGERATION WORKERS OF ONTARIO

The Chair: At this time I'd like to call forward the next deputation, the Refrigeration Workers of Ontario, local 787. Good afternoon, sir, and welcome. For the record, please give your name.

Mr Joe Carricato: Good afternoon, ladies and gentlemen. After that, I think I'm going to change what I was going to do.

My name is Joe Carricato. I'm the business manager of UA local 787, the Refrigeration Workers of Ontario. I don't have any intention of reading through this material I've given you. I think you've heard enough reading. I'm going to do a little different thing. We're going to start at the back of the book, so I want you to go to the back of the book and count four pages, to the blue page. It's headed "Introduction." It's about me, some of my background. I did complete an apprenticeship. Ironically, or coincidentally, I started my apprenticeship when the Trades Qualification and Apprenticeship Act was introduced in 1964. I completed that apprenticeship. I'm a holder of a certificate of qualification for Ontario, with interprovincial status. I've served as a member on the refrigeration and air conditioning trade provincial advisory committee on and off over the last 20 years, because of the terms. I've served as a resource person. Several of the members of our organization have done so as well. I represent approximately 1,700 workers in the refrigeration and air conditioning trade in Ontario.

The next page basically talks about our organization. I'm not going to go through it.

I want to go to the next page, headed "Commitment to Training." We'll skip through to the second bullet. UA local 787 as an industry stakeholder has contributed to the development and continual improvement of Ontario refrigeration and air conditioning apprenticeship by membership participation such as members of the PAC, resource persons to the PAC and trade regulation 1076 review and recommendations.

I want to stop there for a moment, because regulation 1076 is the regulation that applies to our trade. In 1996, that regulation was brought to the PAC for discussion. In those discussions, we were told that the percentages of wages and the ratios had to come out of that regulation because they were in regulation 1055 or the act or a combination of both. I make that point now because this process has been going on for a long time, and they tried to get those items out of our regulation with the assurances that they're covered in the act or another regulation. I want to make that point now.

We served as members of the PAC subcommittee dealing with training standards — we've redone all the training standards for this trade in the last couple of years — training objectives, and more recently our members are working on training outcomes. We've worked on training curricula. We've worked on the development and critique of the trade interprovincial examination, and we've worked on the development and improvement of the national red seal standards.

We have developed the refrigeration and air conditioning apprenticeship over the years as industry stakeholders — and we consider ourselves partners; partners in the sense of management and labour partnering with government through the PAC, just so you're clear — with various ministries in what we value as the best apprenticeship system in the world. This has all been accomplished under the existing Trades Qualification and Apprenticeship Act. So it can be done.

1530

On the issue of credibility, we hear a lot about special interest groups. In order to dispel any consideration the committee may have that my submission is on behalf of a special interest group, attached is a chart which is self-explanatory. The number of active apprentices in the refrigeration and air conditioning mechanic trade was 1,099 as of August 31, 1998. That's on the chart. That's a Ministry of Education and Training chart.

At that time, we had approximately 375 apprentices in our program, which is slightly more than one third of the refrigeration and air conditioning apprentices registered with MET. Hopefully this statistic, along with my background, our organization's commitment to training and the role we have played as an industry stakeholder, and once again I say partner, will convince you that my concerns over Bill 55 were valid and in the best interests of the apprenticeship system in Ontario.

Just to comment on the numbers, there are 1,099 apprentices in Ontario. I think, just from my knowledge of the trade across the country, if you doubled that, there would probably be that many maximum across the country. I don't think Ontario should be looking at what's happening in Alberta, Manitoba or New Brunswick and following what they're doing out there. We're big enough here that we should be leading the way; we have up until now.

The centre part of my material includes our submission to the reform project, and I only give you that for information; I have no intentions of reading it. If you look at it, it

may help you understand why there's such an outcry from all of us, because we all feel we've been betrayed. We submitted recommendations to the reform team based on the leading questions, I will say now, and we did that in good faith. If you get time to look at this submission, I would dare to say that's probably one of the best submissions that was made to the reform team, and we're saying the same thing today. Basically, all of us have been saying the same thing. So, in your own leisure, take time to look at that.

I'm going to point out a change. This thing was typed in early 1997, and in here I talk about our membership being at 1,600 members. Just a moment ago, I said 1,700 members. I want to let you know that our organization has an open-door policy. If there's work for apprentices, if employers need apprentices, we take them in and put them to work. We do not train people and give them false hope that there may be a job when they finish the training. We will not do that. If employers need 100 apprentices, my organization is prepared to take them in and put them to work, any time, gladly. You'll see that our numbers have increased. We had a good year this year. We took in almost 50 apprentices this year, so you're going to see that our numbers have increased. We're working on an agenda of 2,000 members by the year 2000. So, anybody who says unions are restrictive, I think you should take another look at that and consider where it's coming from.

If you go to the front of the material, the second page, I'll get into the introduction. The Refrigeration Workers UA local 787 represents approximately 1,700 members in the refrigeration and air conditioning industry throughout Ontario. The trade of refrigeration and air conditioning mechanic has been compulsory in Ontario since 1964 and is undergoing an enormous number of changes caused by new technology, social trends and environmental issues.

Together with our contractors, as represented by the Ontario Refrigeration and Air Conditioning Contractors Association (ORAC), we have over the years put a great deal of emphasis on the importance of training in our industry. For example, local 787 with ORAC have established a training fund as a non-profit organization that has been in existence since 1968. Through this fund, we provide training for apprentices — and by that I mean supplemental, additional training — upgrading and skills improvement for journeypersons and on some occasions, when called upon, rehabilitation for injured workers.

The training fund, through its state-of-the-art training centre and by providing employment opportunities for apprentices, already meets the training needs of contractors and apprentices. As well, the training centre is a designated training delivery agency for apprenticeship in school for the Ministry of Education and Training. We also deliver training under the Environmental Protection Act for the Ministry of the Environment and certification training for the technical standards and safety authority.

Together with our employers, we rely on apprenticeship training. Workers who are not properly trained in the safe and efficient operation of equipment and machinery pose a safety threat to themselves and to others. Incomplete

training causes employers to incur unnecessary and substantial costs for damages and repairs to equipment and machinery. The improper handling of hazardous materials, such as refrigerants, could cause permanent damage to the environment.

The purpose of our presentation today is to make recommendations to the committee on improving Bill 55 in order that it does not result in the dismantling of what is a proven and excellent system.

Trade regulation: At the heart of an effective and safe training regime is the legislation. As far as our trade is concerned, the current Trades Qualification and Apprenticeship Act, the TQAA, and the regulations are sound and only require limited amendments. If you get time to look at our apprenticeship reform submission, we said the same thing then.

We are therefore very concerned that Bill 55 proposes not to revise the TQAA but to completely repeal it and its necessary elements. Beginning with its purpose clause, the bill fails to recognize that apprenticeships are more than methods to simply satisfy the desires of contractors who wish to have low-skill and low-wage employees. Apprenticeship is about economic competitiveness, certainly, but it is also about safeguarding the health and safety of workers and the public, and consumers and environmental protection; and it is about training, something the purpose clause fails to even recognize.

Our first recommendation is that the purpose clause be revised to clearly state that Bill 55 is about training for complete trades and that the training relates directly to health and safety, consumer and environmental protection and economic competitiveness.

Definitions: The problems with Bill 55 are compounded in the definitions section. We note, for instance, that the definitions do not even include the concept of a trade, much less a compulsory trade. This has been replaced by something called "skill sets," which can mean as little as one skill.

I'm going to suggest that skill sets will reduce the number of apprentices, because employers will tend to take a part of the apprenticeship training program, set that up as a skill set, put somebody in and train him in that skill set, and they may never progress through the apprenticeship; they'll perform that skill set. They'll be pigeonholed for the rest of their life. They'll be at the whim of the employer, and that's negative.

The committee must be clear as to what this means in real life. It is inconceivable that the government would believe that breaking down a trade into a series of limited modules will somehow enhance training opportunities and prospects for youth or anyone else, for that matter. In reality, the skill set concept does exactly the opposite, by focusing on restricting the training received by apprentices to very limited and specific tasks. This is a trap whereby opportunities are severely limited. As was told to the committee by the provincial labour-management health and safety committee of the Construction Safety Association, this modularization is extremely threatening to worker and public health safety. Further, it is a well-

established fact that many of the chemicals and gases with which we deal as part of our trade, if improperly handled, can cause permanent environmental damage, including damage to the ozone layer.

Recommendation: The concept of "skill sets" be removed from Bill 55 and be replaced by "trades" and, where applicable, "compulsory trades."

The definitions in Bill 55 even remove the essential element of the employer-employee relationship. Apprenticeship works because it represents a training opportunity directly tied to real work and the employer-employee dynamic. In this way, the industry provides learning experiences that are based on what consumers are demanding. There is no substitute or shortcut to gain the required experience and knowledge other than the time spent in a real work environment.

The current TQAA defines "employer" broadly enough to allow for innovations such as local apprenticeship committees to participate in the learning contract, but in a way that ensures adherence to workplace training. The concept of "sponsor" as proposed in Bill 55 raises the real potential of training relationships which are artificial in order to simply jack up the number of registered apprentices when there is no real work available. I'm going to suggest that's what's going to happen if this proceeds. The essence of apprenticeship is the link to real economic demand which can only be determined by employers or local apprenticeship committees that are active in the marketplace.

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The concept of "sponsor" as proposed in Bill 55 raises the real potential of training relationships which are artificial in order to simply jack up the number of registered apprentices when there is no real work available. I suggest that's what's going to happen if this proceeds. The essence of apprenticeship is the link to real economic demand, which can only be determined by employers or local apprenticeship committees that are active in the marketplace.

The recommendation: It is essential that the direct link to real employment continues to exist as a fundamental part of the legislation and that the relationship be defined in the bill.

I'll just pause for a minute and stop reading. I've been involved at the PAC level on and off since 1979. Over the years we've raised the issue of elevating grade 10 to grade 12 several years and it just never got any further than the PAC. That's one of the reasons you're hearing that the PAC should have more determination than what's happening. In our own organization we implemented grade 12 equivalent in 1980 or 1981. We upped it to a grade 12 equivalent. In 1992, we had to remove the equivalent because we had a track record of people with grade 12 equivalents not being able to handle it. We insist on grade 12 math, grade 12 English and one of the grade 12 sciences, either physics or chemistry. That's very demanding. In some cases, the employer's looking for even higher standards.

Minimum education requirements: I'm not going to read that because I've given you from-the-heart experience. So we'll go right to the recommendation: That Bill 55 be revised to include minimum education requirements and that the provincial advisory committee for each trade be empowered to establish appropriate levels for entry into their specific trades. Grade 12 may be necessary for our trade, but some other trade may be able to get by with grade 10. You should come up with some mechanism to allow that.

Provincial advisory committees: The most vital aspect of the current system and the TQAA is the provision for provincial advisory committees, PACs. PACs are a mechanism whereby industry can contribute directly to the development of training standards, curricula, and generally take responsibility for the administration of apprenticeship. PACs must therefore be given decision-making powers so they can take an even greater role in governing their respective trades. In addition, PACs must consist of active employers and journeypersons in the trade. Again, if you get time to read our reform submissions, we said the same thing then.

Bill 55 proposes to eliminate any potential powers of PACs. We firmly believe that the accountability of PACs to the Minister of Education and Training must instead be expanded and strengthened. Since PACs consider matters of great importance to the province's economic development, quality of the workforce, health and safety of workers and the public, as well as consumer and environmental protection, it is imperative that the accountability and relationship between the minister and the PACs be clear and unhindered.

Our recommendation: That the fundamental governing body for trades be the PACs. Bill 55 must be amended to empower PACs so they can fulfil a mandate to successfully develop training standards, implement curriculum and introduce innovative programs which are needed to adapt to the changing technology in the workplace.

Local apprenticeship committees: As with PACs, local apprenticeship committees, LACs, are not recognized in Bill 55. In our sector, LACs provide many of the services needed to support the administration of apprenticeship. As we have mentioned above, in many cases, LACs act as the employer under the TQAA. Like the rest of the construction sector, refrigeration and air conditioning mechanics often train with a variety of employers who may be performing work anywhere in the province and in some instances the world. The standard employer-employee relationship as seen in the industrial sector, does not necessarily exist in construction. LACs, therefore, should be made even more vital for effective apprenticeship management, particularly in light of how work is organised in the construction industry.

Our recommendation: That local apprenticeship committees be included in a definition of "employer" in Bill 55.

The Chair: Excuse me, sir. You have exhausted the time, if you could summarize, wrap up. It's an excellent report.

Mr Carricato: I'll just move to the conclusion.

Bill 55 must be withdrawn or significantly amended. If not, consequences will include increased dropout rates as apprentices find the financial hardships of lost income and increased debt just too much to handle; workers choosing not to register as apprentices, since there will only be disincentives to participate in the formal training system, including high training cost and loss of income; trade school avoidance because even those who wish to participate will not be able to afford to attend; the demise of apprenticeship training caused by a completely unregulated environment, thereby drastically reducing skill levels; the devastating impact on worker safety and environmental and consumer protection — all of which is sincerely submitted. I thank you for your attention.

The Chair: Thank you very much for a very excellent presentation.

Mr Carricato: Does anybody have any questions?

The Chair: No, you've gone to 22 minutes, but it was a very good presentation.

Mr Carricato: Thank you.

MARTIN AIREY

The Chair: The next presenter is Martin Airey. Good afternoon, sir. Please state your name and organization or whatever.

Mr Martin Airey: My name is Martin Airey. I am with the Carleton Institute of Painting and Decorating. I am also chair of the PAC for painters and decorators for the province of Ontario.

I think one of the problems we have with apprenticeship today is the fact that we've missed the whole reason for apprenticeship. Apprenticeship is a system that was specifically designed for youth. If we look at the apprenticeship system today, the average age of an apprentice in Ontario is 27 years old. I find that too high.

Perhaps I could read you a letter I sent to John Manley about three years ago to which I didn't get any reply.

"Dear Sir:

"The construction industry has, quite literally, built Canada.

"Every building in the country from the Parliament Buildings to our great office towers and stadiums, to bridges, hospitals and highway networks constitutes a construction project.

"However, never before has the industry had to face the kind of challenge that it does today. It is constantly being called upon to be more productive and to carry out bigger and more complicated projects, requiring new and old skills and a more professional workforce.

"Some of the wonders of the modern construction world, such as the CN Tower, the fabrication and erection of the PEI fixed link, could never have been undertaken without the highest degree of training and commitment.

"Today, the industry employs 10% of the country's workforce and each year undertakes projects worth billions of dollars. These are projects which affect every-

one. The need for a well-trained, highly skilled people to work in the industry has never been greater.

"It is our task from the home renovator to civil engineer, through competent training programs, to help meet this demand by ensuring that the future generations of construction workers are of the highest calibre and have the right skills for the job.

"Due to the neglect of our apprenticeship programs and the cultural bias against the trades and blue-collar work, our industry today is experiencing an aging workforce. The average age of a qualified craftsman working in the voluntary classed trades is 55 years of age.

"We know that many young people will not achieve academic qualification. So why is our society persistent in directing this known factor towards a goal that will benefit only 23% of our high school population? Training and the prospects of a dignified career should be the critical factor in this group's high school education.

"Literacy and numeracy are what students require before they leave school; 28% lack these essential tools of life. Many become disenchanted with education and drop out into a life of career uncertainty and low self-esteem. Competent trades training in the last years of high school would fulfil not only the student but industry and society.

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"A technical approach through skills training, incorporating workshop practices, industrial calculations, industrial science and industrial theory will instill the importance of applied academics in the minds of our youth. Not only will it give them a richer perspective on their future working life, it will provide an all-round ability of knowledge and competence in practice. Competence implies ability to perform tasks in a variety of situations and under different conditions. This means having to apply detailed knowledge and understanding of principles, systems and technical data to different circumstances. Youth will need an understanding of this if they are to succeed in today's competitive job market.

"There are many areas of Canadian industry which would benefit from this approach by way of pre-apprenticeship training at high school level. Education throughout all industry continues after high school. Our youth need to be made aware of this fact. Competence in skill and knowledge is the cornerstone of any work process. It is predicted that 45% of all jobs created between the years 1990 and 2000 will require more than 16 years of education and training.

"Trends now indicate that all vocational, non-hospitality and non-high-tech training be provided by the private sector. Governments see Canada as a two-industry priority; high tech and tourism. Why? These are the industries of our time. Encouragement and funding for these sectors of industry is commendable. If you've got it, flaunt it. However, putting all our eggs in one basket is a negative approach to training dollars. These two industries combined are only a small sector of the reality to Canadian commerce as a whole. If the full burden of training is placed on the backs of our industries that are not per-

forming well, they will collapse. We will not survive these strategies over the long run.

"The success of any nation is built on its ability to adapt to change of market. We have recognized this fact, yet have failed its overall commercial effectiveness. Our cultural training bias against the trades and blue-collar occupations will eventually lead to the economic misfortune of the lower-educated sector of our society (30%). Many of this group are late developers who could not understand the relevance of the academic tutoring in high school. Trades training culminating in hands-on skills with maths (industrial calculations), science (industrial science), can instill in the young mind a relevance of education through this applied form of delivery.

"The facts:

"Of the entire education process for the province of Ontario, only 2.5% graduate to trades certification. Ontario high school dropout rate, 28%; Ontario university dropout rate, 13%; Ontario college dropout rate, 6%.

"Ontario youth apprenticeship program" — these were the figures from two years ago — "270 students province-wide (42 students eastern region).

"One third of Canada's unemployed population is under 25.

"Canada's youth currently represent 21% of all social assistance cases.

"Economic Council of Canada has stated Canada has one of the worst records of school-to-work transitions.

"Unemployment rates for youth are now nearly double the national average.

"Existing training programs cater mainly to the older student (25-40).

"A cultural bias against the trades and blue-collar work.

"A priority of governments to fund training only for disadvantaged groups and towards growth industries.

"Trends set by governments to relieve themselves of the responsibilities towards industrial training.

"These facts reveal the critical state of Canada's youth employment prospects. If we do not act now to rectify this problem, it can only escalate year by year. The most precious resource any country has is its youth. Society can ill afford to neglect this issue any longer. To my generation," and the people in its control, "tomorrow is just another day. To our youth, tomorrow could be the rest of their lives."

I think we've moved away from that element of youth that relied on apprenticeship training. Youth have nowhere to go now. They can't go to university. They've come out of school without the academic skills. It's youth that can rebuild the apprenticeship program in Ontario. It's a system that was designed for them. We've catered over the last 15 to 20 years. We've moved the apprenticeship system away from that element and we've more or less transformed it into a retraining program, not apprenticeship. Apprenticeship is a very important tool in industry. Youth should not be denied that access.

I think a lot of the problems that we see apprentices face today with costs, the older, more mature apprentice

who has a family, that is the cost he has to bear when he's starting off on a low wage, becoming skilled from unskilled. This is why apprenticeship was designed for youth.

I was an apprentice. I left school at 15. The first day I sat in my in-school classroom, my first instruction from the instructor was: "Don't get a girl pregnant. It will ruin your apprenticeship." I think if we look at it today, we have families with wage earners on apprenticeship. You can't survive on that type of money. That's all I have to say.

The Chair: Thank you very much for your presentation this afternoon. Each caucus has a chance for one question. It's the Liberal caucus's turn.

Mr Caplan: Mr Airey, thank you for your presentation. You made a number of recommendations about what you think should happen in training, in apprenticeship areas. Do you feel that Bill 55 will accomplish those recommendations that you have and, if so, tell me how and, if not, tell me why not.

Mr Airey: It's refreshing to see something finally happening that is promoting linkages with the high schools. I think there's a big misconception between the term pre-apprenticeship and full apprenticeship. I'd like to see this flexibility so that it can be moved, so not only apprenticeship needs to be promoted, it needs to be promoted at the school level.

Mr Caplan: Are you referring to the Ontario youth apprenticeship program?

Mr Airey: No, I'm talking about the pre-apprenticeship mechanism put into the high schools.

Mr Caplan: I don't read that in this legislation.

Mr Airey: That's not the Ontario youth apprenticeship program.

Mr Caplan: That's not in this legislation either, is it?

Mr Airey: No. We do not know yet how these linkages are going to work. But I think it is the flexibility this bill can offer, I haven't seen anything in the past that I've been looking for for years that will compensate for youth being able to access apprenticeship. It just that youth is coming in at a lot older level.

Mr Lessard: I don't know whether you were here this morning, but I read some excerpts from an article that appeared in the Independent on October 18 about the experiences that they had in Great Britain. They are bringing in a national traineeship scheme to replace the Conservatives' youth training scheme which offers employers financial incentives to train young people on the job. The reason they're doing that is because the previous program was criticized for using young people as cheap labour with no prospects at the end of their traineeships.

Mr Airey: Employers have used that system for years, since it was implemented, to hire youth into a job, work with them for one year, because they've been funded, then fire them and hire another one. This is not the British apprenticeship system. There are three methods for going into apprenticeship to coming out as a journeyman in Britain. We have three routes we can take: through the royal institute, through the City and Guilds, and through

the National Vocational Qualifications. We have three that work very well. That is not part of apprenticeship. The youth — what do they call it?

Mr Lessard: The youth training scheme was the previous one.

Mr Airey: The youth training scheme. It's not part of the apprenticeship program.

Mr Lessard: But is this new program something you're aware of? Do you think that will improve the situation?

Mr Airey: The apprenticeship system is moving quite well. Again, what you're talking about here is not apprenticeship. This is just a way of introducing youth into certain jobs. They do not get any qualification from it.

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Mr Smith: Thank you very much for your presentation. I found it interesting.

On the comments you made about the youth apprenticeship program, certainly the government feels very strongly about it in terms of increasing the access. We've heard over the course of the past four days the need to heighten the level of awareness that young people have with respect to careers in skilled trade areas.

You briefly addressed the issue of flexibility in response to Mr Caplan. Some have suggested that by introducing the degree of flexibility that is contemplated in this legislation, we're compromising skilled labour or skilled workers in general and methods by which they acquire their training. Do you agree with that? Is that a legitimate concern that we're hearing? If so, I'd certainly welcome your thoughts on that.

Mr Airey: As I stated before, the work process is a lifelong learning process. We've seen that more so today than in the past. It's going to be a constant experience of learning through any job now — new technologies, new skills are coming out, upgrading. If we don't get the people young enough to get into that mindset now, the whole system will fall apart. We have older workers in there now who get upgraded, but they've been out of school for so long and we spend a lot of dollars right now training these people for a short time in their career. It will be far better and far wiser to use training dollars with youth and give them a lifelong career. We can't deny them the right to work and to quality training.

The Chair: Thank you very much for a very interesting presentation this afternoon.

BUILDING AND CONSTRUCTION TRADES DEPARTMENT, CANADIAN OFFICE

The Chair: I would call on the next presenter, the Building and Construction Trades Department, Canadian office. Good afternoon, sir. For the record please state your name and organization.

Mr Joe Maloney: Good afternoon, Mr Chairman, ladies and gentlemen of the committee. Thank you very much for this opportunity. My name is Joe Maloney. I am the director of Canadian affairs for the Building and Construction Trades Department, AFL-CIO. We're the

umbrella group that represents the 14 international construction trades across Canada. We represent approximately 400,000 people in the building and construction industry.

Before I start, I would just like to go on record as saying that the building trades support the submission that was previously put forth by the provincial building and construction trades department.

Bill 55 mentions the word "trade" once through its entirety. It supports training by skill sets and removes requirements for the mandatory certification of trades. This is opposite to the direction of the industry and it is not in the best interests of workers, developers, the industry's clients and the Ontario economy.

Ontario cannot isolate itself from the rest of the country on apprenticeship matters. Workers must achieve the highest levels of skill and training. We must move forward with the national standards for apprenticeship and training. Instead, Bill 55 would fragment the apprenticeship system and deskill the workforce. It is a step backwards for the Ontario economy.

The industry's major contractors, developers and clients have a national and international presence. The standards of construction are consistent across Canada and North America. Therefore, the industry supports national certification standards for journeypersons.

There have been many studies done on apprenticeship in the past by industry partners all across the country; they date back many years. I've got about 10 feet of them in my office. I've brought a couple to show you. The first one here was done by Employment and Immigration Canada, the Canadian Construction Association, the Canadian Home Builders Association and the Building and Construction Trades Department. This was done back in 1993, and it concludes basically that construction jobs will become more highly skilled because changes in technology will bring about a greater requirement for certification of workers. There's one of them.

The red seal program is the most obvious example of the industry's commitment to training. Construction workers receive certification recognized in every province when they have a red seal. In Alberta, for instance, there are 40 red seal trades that provide 93% of Alberta's apprentices and journeypersons with the opportunity for interprovincial mobility. Bill 55 doesn't meet that criterion.

Apprenticeship programs must be of similar duration and subject matter across all jurisdictions. It ensures a supply of fully qualified workers for the industry. The Ellis chart, for instance — I don't know if you people are aware of an Ellis chart — compares apprenticeship training for workers and apprenticeship programs across the country. Ontario is already lagging behind, before you even pass Bill 55. Bill 55, if it's passed the way you're proposing, will further separate Ontario from the rest of the country.

The Canadian Labour Force Development Board, which oversees labour force development nationally, supports the red seal program, obviously. It supports the

development of national standards for training and certification of apprentices in the construction industry. Why? Because the issue of quality is an extremely important variable for the construction industry. A fully trained, mobile and highly skilled construction workforce is an important component of a winning formula. The deskilling of Ontario's construction workforce will create a very poor climate for business.

Mobility is a major part of our industry. Construction projects require a ready supply of apprentices and journeypersons. This supply is often not met locally in boom times. For a project in Ontario, the supply would normally come inside Ontario, then from other provinces and then from outside the country. We have to keep in mind that Ontario is not an island unto itself. Ontario construction workers have been called upon to fill needed skills anywhere in the country and around the world. For example, and you've probably heard it through your submissions, there's an expected labour shortage in Alberta, over the next few years, of skilled construction workers. They're anticipating up to \$40 billion worth of new construction activity. That's increased — I was on a conference call today — up to \$50 billion over the next five years. But with Bill 55 the way it is now, Ontario workers in the future will not be qualified to work in Alberta and other provinces without having to upgrade or requalify. Bill 55 will eventually guarantee that Ontario's construction workers need not apply in Alberta. The United States have travelled down this path of deskilling, and the result is a severe shortage of skilled construction labour.

Long-term economic benefits are not just measured by completed projects; they arise when projects are built right the first time. Tradespersons build to specification and contribute to the long-run economic growth: Office towers survive earthquakes; power plants work; homes built to specifications survive hurricanes; and condominiums don't leak. The Barrett commission in British Columbia, which investigated the leaky condos, supports, and I've got the report here, the "compulsory certification of trades with increased compliance and enforcement." Ontario is going the other way.

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Business and labour in the construction industry undertook the strategic analysis of underground economy activity in the construction industry with five federal departments: the Ministry of Finance, revenue, the Ministry of Industry, Human Resources Development Canada, Statistics Canada and CHMC. Proposals inside this report are very clear. They include widening the certificate of qualification system. They discourage consumers from using non-certified construction workers by voiding insurance policies per work performed by non-certified workers. If the Ontario government wants to support the underground economy in the construction industry, then pass Bill 55. It's as simple as that.

Any construction industry group or individual supporting Bill 55 is against positions that have been taken at every industry conference, forum, task force and study; it doesn't matter. Over the last 10 years, every apprentice-

ship forum we've attended has said, "National standards." Ontario has been a big participant in those forums and task forces. I know your apprenticeship director, Judith Robertson, has been at many of them. I've seen her there. They've supported national standards in some form or another. Where Bill 55 comes in we're not sure.

Producing door lock installers or light fixture installers — because that's all you do when you deskill a workforce and you go to skill sets — is a short-term, cheap source of labour and it's not the answer. When the door lock work ends and the worker goes on unemployment insurance or welfare, eventually he'll end up in the underground economy. The bottom line: Bill 55 does not respond to the needs of the industry.

The purpose clause changes the orientation from apprenticeship and complete trade training to skill sets. The definitions in section 2 put an end to mandatory certification. Do you really want a person with a skill set hooking up wires or installing natural gas fittings in your home? Think about it.

Section 3 centralizes control of apprenticeship and training in the government bureaucracy, counter to the philosophy of this government and submissions by industry. Bill 55, section after section, destroys the apprenticeship system as we know it today.

Bill 55 shows little respect for the construction industry. The construction sector, which is the largest in the Canadian economy, represents about 15% of GDP. We have about 6% of the labour force but we're responsible for over half of all indentured apprentices in the country. Bill 55 will jeopardize this record of efficiency and dedication to training. We strongly recommend that Bill 55 be withdrawn or that this committee amend the bill to follow the recommendations made by the provincial building trades council, the Ontario secretariat and I'm sure the vast, overwhelming majority of presenters you've had here.

With that, Mr Chairman, I thank you, and I'm prepared to answer any questions.

The Chair: Thank you very much for your presentation. We have time for questions, one from each caucus, starting with the NDP caucus.

Mr Lessard: I was impressed by your presentation, especially as it dealt with mobility rights and the red seal program. But the question I have to ask you is a result of the list of the 14 affiliated international unions that you represent that you have on page 1. Included in that is Labourers' International Union of North America. We had a presentation from them this morning and they don't seem to take the same position that you do. I'm wondering whether the submission you're making here is a result of a consensus, or are there some differences of opinion among the 14 members?

Mr Maloney: I can honestly tell you, Mr Lessard, that the building and construction trades do not support Bill 55, and LIUNA is an affiliate of the building and construction trades, but you also know — we're not going to kid each other around here — LIUNA is on an expansionist program. Part of their expansionist program is to

take work from other trades, so if they can deskill those other trades, the natural thing to do is to deskill them. That way, they're not licensed in any fashion and then they can go get them. It's as simple as that. We have in-house discrepancies, as I'm sure all your parties have them in-house, and we're not proud of that. We're trying to clear a lot of those matters up but they do exist.

Mr Gilchrist: I too was intrigued at that and I was curious when the word "represent" was used at the top of that page. Thank you for clearing that up.

I'd like to think that we're going to set a standard for our apprentices that's actually higher than the red seal program. I think 69% is really quite scary. We've heard representation from groups that have come forward —

Mr Maloney: What 69%?

Mr Gilchrist: With a 69% pass you get your red seal. That means you can be 31% wrong and still go and build the boiler at a nuclear plant and be an electrician and wire up a building like this one or set up the sprinkler system. I'm genuinely surprised that that sort of standard is the one we keep hearing about and keeps being celebrated. I have no problem with a national standard. I would have thought it's in the best interests of certainly not just the workers, who may be compromising their own safety, but also of the employers and the public at large.

How do I reconcile the perspective that you and others are taking when right in the directions of what the director will have to do is to work with other governments in Canada to promote uniformity in apprenticeship programs and in the qualifications required. That is an absolute edict under the act, and yet group after group will come before us and suggest that somehow we're going to water these things down. How can she accomplish both goals? If she does accomplish that, she's in violation of the act.

Mr Maloney: Mr Gilchrist, every act across the country says the same thing. Everybody talks about national standards and it's a wonderful thing to say. But now that the authority of apprenticeship and training has been devolved from the federal government to the provincial governments, they're saying it's their turf now, "If you want a national standard, meet mine." They're not prepared to say, "OK, let's go to the highest standard in the country"; some of your governments are saying, "Let's create a low standard and all you people come down to our standard." That's not the way to go in the construction industry. We want to attain the highest possible standards that we can reach for, and Bill 55 does not pursue the highest possible standards by any stretch of the imagination.

When you deskill a trade, a craft, all you're doing is encouraging a whole bunch of people with semi-skills to run around the province and be able to do what they particularly have to do, but when that particular job is over and done with, they don't have a further skill to move on. All you're going to do is have a drive to the bottom for wages, and then you encourage huge underground economy activity when the booms go, because we live in a business cycle in the construction industry. We have good times; we have bad times. It's just the way it goes. It's as

simple as that. The harder we work, the faster we're laid off. It's the nature of the beast. So when you don't have a person who is fully qualified in a particular craft and who's able to move from project to project to project and take on those jobs, you have a very weak economy coming for you.

Mr Caplan: Thank you very much for the presentation. It was quite comprehensive. It seems to me that the only way Ontario could participate in a national program is if every other jurisdiction was going to a similar kind of skill set arrangement. That's not the case, is it?

Mr Maloney: No, that's not the case at all.

Mr Caplan: So it's Ontario that's out of step with the rest of Canada. In fact, I take from what you said about internationally that we're out of step with the rest of the world as well.

Mr Maloney: You're out of step with your immediate partners across the country, you're out of step with the people south of us and you're obviously out of step around the world. Don't forget that people from the Ontario construction industry have been all over this world, building places in Saudi Arabia and different places. They came here because we had the highest-qualified skilled people in the construction industry. They could have gone to other places but they came here. In a few years that's not going to happen if you go through with this bill. If you want national standards, we have the CCDA, the Canadian Council of Directors of Apprenticeship, and the Canadian Labour Force Development Board. All these people are pursuing the same thing. But if somebody goes in with a piece of legislation that says, "I'm harboured in this Bill 55; I can't get out of it," what are they going to bring to a national scope?

Mr Caplan: Bottom line: If Bill 55 passes as is, in your opinion, will Ontario suffer job losses?

Mr Maloney: If Bill 55 passes the way it's proposed, you will have to put a fence around Ontario, and construction workers and the Ontario economy will suffer.

The Chair: Thank you for your presentation here this afternoon.

1620

LOCAL APPRENTICESHIP PROGRAM FOR BRICK, STONE AND RESTORATION

The Chair: With that, we come to the long-awaited, final presentation, the local apprenticeship program for brick, stone and restoration. Good afternoon, sir. Please give us your name and organization.

Mr Fred Giese: My name is Fred Giese. I'm a bricklayer. I'm a member of the local apprenticeship committee for brick, stone and masonry restoration. I want to thank the committee for giving me the opportunity to speak to you this afternoon on a very important matter. The subject is really too important to use as a political football or to try and slam the government or play partisan politics. This concerns young people, a large portion of our young people, who are in their formative years. If you can remember

when you were young, the world is out there and it's scary: "What am I gonna do next? I've finished school. Where am I going? When am I going to do something?"

I'd like to point out that at this point most young people are not being told that an apprenticeship program exists. The schools certainly don't help. That's where one aspect should be looked at. The other thing is that in order to become an apprentice, they look at a whole set of prerequisites that are daunting. In other words, we have to try and make it easier for the young people. First of all, let them know that it exists and, secondly, make it easier for them to enter. I'm in masonry; I'm a bricklayer. It's a tough business, but there are other ones as well. They should be made aware of what they're getting into.

Young people need the support, because that's our future as well. If they can't reach their full potential, everybody loses. You lose, I lose and the young people lose. It seems to be that the apprentices we're getting are older. They've got other responsibilities and they have a hard time learning. Younger people are usually more adaptable. The other thing that we find is that the apprentices are last hired and first fired. What I'm trying to say is that people have to try and make it a lot easier for apprentices to even get into the system, and then the various apprenticeship committees that have made the regulations and have the ability to make curricula — because most of the teaching is done by employers. The apprenticeship committees and so on look primarily at the in-school part of the training.

After a successful apprenticeship system, it doesn't mean that they have to stop there. They can go on to be engineers. They can go on to be an architect. But they certainly can't do that if they're wasting their time between 18 and 30. Let's face it: Well-skilled, fully-trained craftspeople will never go hungry or fall on the public purse.

Let's give young people a chance and show them that there is a goal out there that they can attain. Make the licensing that you give at the end of their apprenticeship a meaningful licence that they can look up to and that will be recognized by the public at large and make the public aware that these licences are out there. I've been an apprentice since 1950 I've been in the masonry trade and I have yet to be asked for my licence to be shown by anybody, especially on the job site or by an individual who may want to hire me to do something for them. That licence is very important and it's not being used to its full capacity. We should give the courts the power that people who are under-trained and unskilled do the work of skilled people and produce substandard work — that they are not in it to cheat the rest of the public. I can show you plenty of proof that it's out there.

This is such an important project. Bill 55 seems to be very vague on a lot of aspects. I've been advised by the ministry that all that will be taken care of in the regulations. Well, we'd like to see the regulations. The eloquent speakers before me have addressed many of my concerns as well.

That's about all I have to say at this point. I thank the committee for giving me this opportunity. I'm not a public speaker so I am very nervous.

The Chair: Thank you very much, sir. You've presented a very solid and sincere presentation for your trade. With that, we have a couple of minutes left for questioning, and I would start with the government caucus.

Mr Smith: Actually, I have no questions. I want to thank you, as the last presenter today. Being involved in a number of committee hearings in the past, the last few, there are always a tailing number of individuals who are here to hear your presentation, but on behalf of the members who are here, we sincerely appreciate the presentation you made. You've presented a lot of points either generally or specifically that have been addressed over the course of the past four days, so thank you very much.

Mr Caplan: I think that was very well said by the parliamentary assistant. You did just fine, sir. Thank you very much for your presentation.

One of the points that you made distressed me greatly that you know of unskilled people working on job sites offering themselves out to the public. I would hope that you would contact the appropriate authorities so that we could ensure the safety of that person, of their co-workers and of the public to be protected. I think all of my colleagues would join me in urging you to contact the Ministry of Labour if that is taking place and you have direct knowledge of it.

Mr Giese: Who would you like me to contact, the building inspectors?

Mr Caplan: That's probably a good start. I know they're under a great deal of stress, that their numbers have been thinned greatly, but that is something that really ought to be done.

Mr Giese: The government seems to have a great deal of difficulty in policing what we have now. I can give you plenty of proof. In fact, I have pictures here that I could show you of shoddy workmanship. It's not just recently; this has been going on for a long time. If your house is older than six years, have a good look if you have a masonry chimney. It could be falling down. Anything built in the last 32 years is subject to having a good look at, especially in masonry.

The biggest problem we have is not having compulsory certified trades. That is virtually a must. In eastern Ontario, everybody knows that we had the ice storm. There's a house that was built last fall that burnt down during the ice storm because of a faulty fireplace. If that isn't proof, I don't know what else is. We need better qualified people and we need better training and we need better policing.

Mr Lessard: Do you see Bill 55 raising the bar that you think should be raised, or lowering it?

Mr Giese: It's so vague, it's difficult to tell. As I said at the beginning, I really don't want to jam anything. Let's do something for our young people. That's really why we're here, isn't it?

Mr Lessard: I think you're right. You make a good point. We've been asking to see the regulations as well because this is a bill that seems to say, "Trust me," all over it. From the people we've been hearing, there isn't a great trust level out there. By letting us see those regulations, it might do a little bit to instill some level of trust.

Mr Giese: Indeed it would. It's because everybody has a low mood, everything is down. Let's try and look up; let's try and do better. I remember 1967, the mood of the country was way up. What's happened to us since? I would love to give everybody the benefit of the doubt and I would love to see everybody do their best. Really, that's why I'm hoping that the regulations will address the problems we're facing now.

The Chair: Thank you again, sir. On behalf of the committee members, I'd like to thank all those who presented this week. It's been very intense and very informative. I thank each and every participant.

Just a couple of administrative things. I think members of the committee from each caucus know the amendments are due by 5 pm next Tuesday and that we will be dealing under the standing order for Wednesday the 25th for clause-by-clause starting at 10 am.

Mr Caplan: The briefs will all be given to us on Monday, the transcripts, yes?

The Chair: The summaries of the presenters, yes.

Mr Caplan: Wonderful. Thank you very much.

The committee adjourned at 1633.

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Standing committee on general government

Apprenticeship and
Certification Act, 1998

Comité permanent des affaires gouvernementales

Loi de 1998
sur l'apprentissage et la
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Chair: John R. O'Toole
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 25 November 1998

Mercredi 25 novembre 1998

*The committee met at 1005 in committee room 1.*APPRENTICESHIP AND
CERTIFICATION ACT, 1998LOI DE 1998
SUR L'APPRENTISSAGE ET LA
RECONNAISSANCE PROFESSIONNELLE

Clause-by-clause consideration of Bill 55, An Act to revise the Trades Qualification and Apprenticeship Act / Projet de loi 55, Loi révisant la Loi sur la qualification professionnelle et l'apprentissage des gens de métier.

The Chair (Mr John O'Toole): Good morning, ladies and gentlemen. Welcome to this clause-by-clause consideration session on Bill 55. We've had exhaustive hearings across the province and received all of the amendments put forward. There are 53 of them. With that point, I think it's important that we get on with the deliberations before us.

Mr Wayne Lessard (Windsor-Riverside): Mr Chair, I would like to move the following motion, and I've distributed this motion to committee members. I understand from the clerk that motions can't have preambles so I'm not going to read the preambles, but I will leave that for the debate.

I move that this committee recommend to the government House leader that the order with respect to Bill 55 be amended so that the bill can be withdrawn and rewritten.

The Chair: We have a motion by Mr Lessard with respect to some actions to consider. Is there any discussion or comment?

Mr Mario Sergio (Yorkview): If the intent of the motion is to have the bill withdrawn, why can't we clarify that and have the committee approve that instead of going to the House leader? Why can't the committee say that we recommend the bill be withdrawn?

Mr Lessard: I don't have any answer to your question. Maybe the clerk has an answer.

Mr Sergio: But it's your motion. Are you asking that this committee recommend the withdrawal of the bill?

Mr Lessard: The motion is to recommend to the government House leader, as I indicated, that the order with respect to the bill be amended so the bill can be withdrawn. Right now, we are governed by a time allocation motion, and I'm not sure, pursuant to the provisions of that time allocation motion, we can recommend

that the bill be withdrawn when we're doing clause-by-clause debate. However, if you're interested in moving a friendly amendment, I'd be more than happy to consider it if the clerk thinks that it would be in order.

Mr Sergio: That's fine, either way.

The Chair: If we could go through the Chair, I'm going to respond, from what the clerk has informed me, that we're under a time allocation motion, which is the order from the House for this committee, and I think that takes precedence. This discussion is your opportunity to put forward your views and that's what we're trying to do.

Mr Sergio: Are you saying that the motion is out of order?

The Chair: This particular motion, as Mr Lessard has presented it, is in order. With respect, it will eventually be voted on and dealt with.

Mr Sergio: In due course.

The Chair: Yes. Does the parliamentary assistant have any response?

Mr Bruce Smith (Middlesex): I will, on behalf of the government, be speaking in opposition to the motion. Over the course of the past four days of last week, we've had significant input over and above the extensive consultation that has taken place on this piece of legislation since December 1996. As we, as a committee, deliberate on the amendments that have been proposed by all parties represented in this committee, as we work through that, I think we will see, certainly from the government's perspective, that there's evidence that we've listened to the deputants that presented their points of view over the course of the last week. In that context, I'm confident there will be an increased degree of comfort with where we're heading with Bill 55, so I will be speaking in opposition to the motion.

Mr Lessard: As has been set out, we are subject to the terms of a time allocation motion. Those provisions have been very strict. They have provided for four days of committee hearings in four cities and required that a summary of recommendations of the items that we heard be presented to committee members on Monday evening.

The time for presenting amendments to the legislation was last evening and here we are beginning clause-by-clause debate on a bill where it seems as if some of the government amendments have indicated some changes in direction, the ramifications of which I'm not sure the members of this committee are quite aware of. I'm sure that the people who are going to be subject to this

legislation don't understand the direction in which the government is going at this point.

We are going to be expected to complete clause-by-clause hearings by tomorrow afternoon and this is going to be reported to the House for third reading debate, which is limited to two hours. I don't think that is any way to pass legislation that is going to have the significant ramifications into the future that this bill will have.

When the minister made his presentation before the hearing last week, he indicated that they had sent out consultation documents to 2,500 people. They had heard responses from many of those, and many of the people who responded indicated that the direction in which the government was going was the wrong direction. We heard that time after time through the representations last week in Windsor, Toronto, Sudbury and Ottawa. Almost everyone suggested that the direction in which the government was going with respect to this bill was wrong.

My question is, if the government had sent out this consultation document and responded to the concerns that had been raised during that time and came out with Bill 55 in the form that it came out with originally, and now is making changes that I'm presuming the government is going to say are substantial, why weren't those changes made before Bill 55 was introduced? Why are we here at the last minute, being faced as committee members with a big stack of government amendments to this bill which really, I think, are going to add more confusion to the process rather than eliminate some of the confusion that has been created by the concerns that have been expressed as to the direction of the government?

The government is going to indicate that they heard from a number of presenters and that they're responding to the concerns that have been raised. What this is going to do is leave us, as I understand — I'm not quite sure at this point — with two separate systems of apprenticeship training. We're going to have some apprentices who will be covered under the old act, the Trades Qualification and Apprenticeship Act, and we're going to have some apprentices who will be covered under this new bill, Bill 55. We don't know who those people are going to be. We don't know who the old act is going to apply to and who the new act is going to apply to. Quite frankly, Chair, this is just going to create a whole lot of confusion, and I don't think that's any way to run a railroad.

This government likes to pride itself on being good managers and I would expect, given the length of time that we've had to deal with this apprenticeship reform, that after over two years of consultation the government would have gotten it right and we wouldn't be faced, as we are now, with only a few hours of clause-by-clause debate dealing with what, to me, is another change in direction in the amendments in Bill 55.

Some of the questions that arise as a result of my reading of some of the amendments are: What happens to the power of the provincial advisory committees? Are we going to have two separate provincial advisory committees set up under the old legislation and under the new legislation? How are they going to be able to function if

they cover the same trades? What if there is an electrician or a plumber covered by the old legislation in the industrial sector or covered under the new legislation in the industrial sector? If you're an electrician in the industrial sector, you're covered by one piece of legislation; if you're an electrician in the construction sector, you're covered by another piece of legislation. I'm not quite sure.

Once again, we still don't have the regulations under Bill 55, so we have no idea how this legislation is going to work when it's finally implemented. We're going to be running with two acts; we're going to have two sets of regulations. In my submission, the provincial advisory committees' roles are going to be split up, and I think that is going to be counterproductive.

We've heard from numerous presenters who've said that we need to have these regulations before we can adequately consider the impact of this bill. We've heard from a number of presenters who said there is too much uncertainty with Bill 55 as it was written last week, and the amendments that have been introduced are really just adding to that uncertainty.

We've had the researchers, whom I want to thank for being with the committee and preparing their report under the strict timelines that we were governed by, put together this report that indicated the number of presenters who were opposed to Bill 55, once again as it was written a few days ago, included people like the Walls and Ceiling Training Centre. They said that Bill 55 is rife with uncertainty. The OSSTF and the Refrigeration Workers of Ontario, UA local 787, said that they would prefer that the government withdraw the bill and, if not, then consider their recommendations. The Sprinkler and Fire Protection Installers of Ontario indicated that they strongly opposed most provisions of Bill 55.

The Amalgamated Canadian Auto Workers, local 195, said: "We urge the committee to recommend withdrawing the legislation and in its place establish an apprenticeship review process that puts those directly involved around the table." Other CAW locals expressed similar views. They said this legislation should be withdrawn and there should be a meaningful apprenticeship review process that involves all of the stakeholders.

CAW local 127 and the Canadian District Labour Congress referred to the elimination of ratios and wage minimums, and the concern that this puts employee health at risk and also consumer safety at risk. It reduces educational requirements. Skills wouldn't be transferable between workplaces. "Withdraw Bill 55 and go back to the drawing table and ask people who are best qualified what reforms should be enacted."

OSSTF district 3 said that they remain concerned that the changes to the apprenticeship are "regressive cost-saving measures which will do nothing to improve the number, quality or skills of Ontario skilled tradespeople. It should not proceed in its present form."

Buzz Hargrove from the CAW said: "Bill 55 could cost jobs. Withdraw the bill." The International Brotherhood of Electrical Workers: "We recommend withdrawal

of Bill 55 as it will make the system worse rather than better." The Mechanical Contractors Association of Toronto said, "Bill 55 will be a disaster for the construction industry."

1020

The recommendations go on for pages and pages. We all were present when these presenters came before our committee and suggested that Bill 55 be withdrawn and that the government engage in meaningful consultation with apprentices, with employers and with employees so that there can be an apprenticeship system that will address the skill shortages we are facing in Ontario, but that the provisions in Bill 55 go in the wrong direction. They're not going to address the shortage of skilled workers that we need in Ontario for our future economic prosperity. The amendments that have been brought in here today only indicate to me that the government must not have been listening for the two years before they drafted Bill 55. Maybe they started to listen last week, but I don't think they listened closely enough.

The amendments that have been introduced really just add more confusion to the process. What we need is comprehensive apprenticeship training legislation in this province. Having two separate systems isn't going to do it. I think we're not being given enough time to deal appropriately with this legislation as a committee, and that's why I'm making the recommendation that I am that the government House leader amend the time allocation motion so that we do have appropriate time to deal with this bill, that the bill be withdrawn and it be rewritten in a manner that doesn't leave us with two confusing systems at the end of the day.

Those are my brief comments at this point, Mr Chair.

The Chair: Any further comments? We're dealing with this NDP motion here and I would ask members to address their comments specifically to what's before us at the moment. Mr Caplan.

Mr David Caplan (Oriole): Just at the outset, I must admit this motion to withdraw — many of the presenters did make that recommendation. I think it's a bit regrettable that instead of trying to find some way to make Bill 55 a piece of legislation which will bring apprenticeship forward, my colleague beside me has chosen not to do that.

I know that I and my colleagues have put forward several constructive suggestions on how Bill 55 and the apprenticeship system can be improved. For example, one of the things in the consultation process that every provincial advisory council, employer or employee group said was, strengthen the role of provincial advisory councils, strengthen the role of industry. Give a certain number of abilities to those bodies to make decisions which would be appropriate, be it the construction sector, the industrial sector, the automotive sector, it didn't really matter. They all said that same thing. I know the comments of the minister, the parliamentary assistant, members of the government were that that was the intention of the government. Of course, that was never contained in Bill 55.

I would say, Chair, quite bluntly that my caucus, my colleagues and I have proposed significant amendments to this bill which would in fact fulfil that mandate, which would in fact make sure that apprenticeship was driven by the people who know best, by the industry. It is regrettable that at this late date we're going to say, "Withdraw, rewrite." We've heard a great deal. We can incorporate many of those things into the legislation.

I make some other comments as well because I think there were some very valid points that were made. As I understand, what's being proposed is that we're now going to have two parallel systems of apprenticeship. I mean, talk about bureaucracy and red tape. This is exactly what you're going to create. You now have two governing pieces of legislation related to apprenticeship in Ontario, when a streamlined process, a streamlined system was the intention originally, to be industry-driven. It's now being bureaucratically government driven. I would ask the government members, was that really your intention in reforming the apprenticeship system?

I don't think it was. That's not what the minister stated, that's not what the industry stated, and yet that's what's happening if Bill 55 passes, if the amendments that have been proposed pass. I think this is going to be a nightmare. I really do.

I think confusion will reign. In fact, many of the presenters said, the first statement of concern: "Bill 55 is rife with uncertainty." If you pass these amendments, even with the amendments that have been proposed by the government, the uncertainty will still reign. That's not something we need to have in a system as crucial as skilled trades training.

We've heard about skilled shortages. Sure, that exists. We've also heard about a quality system that we have in place in Ontario, and have had for many years. That type of uncertainty is not going to create jobs. In fact one of the comments, and I thought it was very stark, by employee groups but also employer groups was: "Bill 55 could cost Ontario jobs. Withdraw this bill."

That was a comment. Either you believe that and you're going to face the perils of passing this piece of legislation which will cost jobs, or you're going to try to do what you can to listen to industry, to listen to employer and employee and stakeholder groups, to make sure that those concerns are reflected.

In fact, many of the things which we heard are not reflected in some of the things which are coming forward; for example, concerns around health and safety. That whole end I have not found anywhere, aside from amendments that we have proposed — consumer protection, environmental protection. Where are many of those provisions, which really ought to be an integral part of bill 55?

We heard a great deal in the past week, actually in the past number of years that this has been going on, and it really is in all of our interests — I would just say on a personal note that I have a son who's two years old. He's going to be going to school fairly soon. If there's going to be construction, if there's going to be renovation or

additions to some of these schools, I know I personally would feel a lot more confident if we had an apprenticeship system which was reflective of the comments that the industry members, the employers and the employees, have said ensure that those people are fully qualified, ensure that those people have the know-how and make sure that my son has a safe place to go to school.

The purpose of this exercise was to improve an already sound system; to take, as I said, a bureaucratically-driven system and make sure that the people who know best are the ones who are directing the system. If that is truly the intent, my challenge is, if you want to live up to your word, please — and I really implore the members of the government — look at the amendments that we have proposed. There is some validity to withdrawing this bill. The process has been so flawed. The government obviously has heard a great deal; they have not listened, and at the 11th hour they have decided to place a whole raft of amendments, a substantial change in their position regarding Bill 55.

My concerns regarding the bureaucratic mess that this is going to create, the concerns about having a parallel system, are that in some sectors, for example, you have an electrician trained through the construction sector but they also work in industry. Which act would they be governed under? Would they be governed under Bill 55 or would they be governed under the Trades Qualification and Apprenticeship Act? How about a millwright? Millwrights work in the construction sector but they also work in industry. Which act governs? How does that work? Where is the protection? That is the concern. That is the question I'll be asking the legislative council to have the answer for. That kind of confusion, that kind of situation, I don't think is healthy for anybody.

1030

In an area where mobility is the norm, where one day you're working in one job site and the next week you're working in another job site, and they may be in different sectors, how is this all going to relate? Who is going to be responsible for the standards? Which piece of legislation will govern? Who will make the decisions? You have certain powers for one group of provincial advisory councils under one act and other powers for provincial advisory councils under a different act. You have one group of powers for the director of apprenticeship under one act and one group for the director of apprenticeship under a different act. Which one applies? This is a pretty fundamental question.

Ask yourself, do you want to get it right? Do we want to have a system which is going to go forward? When the minister came forward he said that the old act was not acceptable. He said the old act was over 30 years old. Now we're going to have two acts: One act is the old act and one act is the new act.

The other concern, I would suggest, is that the new act will allow for parallel systems to be set up even concerning the ones that have been exempted. Under the provisions still related to skill sets which are out there, you will be able to do that. I would add, as well, that there

is only a list of 19 trades which have exempted. What about those which are voluntary trades? We heard from the Canadian association of boilermaker contractors. How are their concerns going to be satisfied, because they're not recognized under the act? This is something that I think all members should be quite aware of.

I will be supporting the motion to withdraw and go back to the drawing board. I think that's an appropriate suggestion. If that doesn't pass — I must admit I don't expect it will. This government has shown that when they are determined to do something, they will just move ahead and do it. In the absence of that happening, I'm going to strongly suggest that the members of the government and all members of this committee seriously consider the amendments that I and my colleagues in our caucus have put forward; that the advice we heard from the different sectors, from the different presenters, from the different briefs, from the consultations that have taken place over the last two years be taken into account and that we build together the kind of apprenticeship and training system which is going to satisfy the needs of all of us, not just one particular sector, but the public, young people. Let's make sure that we get this right.

I'm going to leave it at that. I'm sure we're going to have an opportunity, because this is a crucial piece of legislation.

The Chair: Thank you very much for those comments. We have before us the motion. We have used about 40 minutes. We had, as a committee, agreed that there wouldn't be any opening statements. I think there will be substantive amendments. Many of the arguments being presented in these opening comments will be repeated in the course of debate with respect to each motion.

I'm going to acknowledge two further speakers at this time. Mr Morin has asked to speak. You are not a voting member of this committee; as well, you are not a substitute member, but your views are important. If you could address them specifically to Mr Lessard's resolution, and after that I would recognize Mr Sergio to try to address their concerns with respect to this.

Mr Blain K. Morin (Nickel Belt): Thank you very much, Mr Chair. I will definitely try to keep my comments on line with Mr Lessard's motion to withdraw Bill 55, particularly as a result of what I heard in Sudbury. I think the government was hard-pressed to find support for Bill 55. Even when we brought in some people who were bona fide on side with this government, they still spoke against Bill 55. I know the last presenter from McDowell equipment, Bernie McDowell, very well. After having a chat with him, he said: "We're going wrong here. We have to make it easier, but we need skilled people." This bill creates an unskilled workforce.

Mr Lessard is quite right about the withdrawal of the bill. There's too much uncertainty. There is no one who came before us in Sudbury, and I'm sure Mr Lessard is quite correct in saying no one in the province, who spoke in favour of this bill. The ratio was about 95% of people speaking against Bill 55.

We heard a lot of concerns around Bill 55 killing jobs in the province, creating an unskilled workforce. We heard about it lowering standards. We heard about it forcing wages down, creating new barriers. Splitting the legislation into two parts and having two bills out there isn't going to fix the problem.

Because I am from northern Ontario, it's very important for me to bring the concerns of northern people to this table. Northern people, if you will pardon the expression, will get a double whammy out of this entire bill. I know that the north doesn't seem to extend past Parry Sound sometimes, but I'm here to assure you it does. I'm here to assure you that the only way we can protect northern apprentices is to withdraw the bill, because it creates an undue hardship upon them.

One of the submissions that I was really interested in was the submission from the Northern Ontario Joint Apprenticeship Council. That was a very good presentation by Timothy Butler. He talks about northern Ontario and the disadvantage. NOJAC is a joint committee, joint to apprenticeships, and employers participate with workers of the IBEW. He says: "NOJAC directs... apprenticeships who do have problems with trade school to upgrade their education in order to achieve a grade 12 high school diploma. This however is not always easy, as the construction industry in northern Ontario is directly related to the economic activity in the province."

He talks about the mobility and he talks about what it's going to mean to northern Ontario to eliminate funding for apprenticeships. He says, "Eliminating the funding which the government now provides to the apprentice to attend trade school is a step backwards in the training of electrical apprentices," especially in northern Ontario because of the economic climate. It's a double whammy. It hurts people in the north.

I would like to go back and also talk about a particular part that Mr Lessard brought up and that's the regulations and the government's unconcern about bringing the regulations forward. I remember I was in this House, and I believe it was last November, when we were assured by this government that they were going to bring forward regulations. That was a piece of legislation around the Workers' Compensation Act, which is now called the WSIB. You might remember it; it's Bill 99. I remember that around Bill 99 in November of last year this government said: "We will bring those amendments forward to the regulations. The regulations will be present." I know a little bit about workers' compensation. I don't believe the regulations are there yet.

The member must agree because he's having problems even getting back to the table on it, because I know with Bill 99 it's very specific. We're talking about workers' rights, but we're talking about regulations for first aid, we're talking about regulations for industrial disease, and this government said those regulations would be attached. I remember last November hearing third reading and hearing debate from the Conservatives and saying those regulations were so important and they would be brought forward. We're asking for those regulations today because we need that assurance, but with Bill 99 the regulations

still are not attached to the WSIB act. They're still not there today. They're very important to workers in the province of Ontario; the whole province, not just Toronto but north of Parry Sound as well. There's a lot north of Parry Sound in this province.

1040

Bill 55, once again, attacks workers' rights. It diminishes them. We need the regulations attached. We know we're never going to see them around workers' compensation. We know this government probably is never going to bring them forward, but we're asking you today, as the trades are asking you, to bring the regulations forward. You can't do that with time allocation. You're not going to do it. I don't believe you have the intent of bringing those regulations forward.

We talked about apprenticeships and we talked about the act. Every presenter we heard in Sudbury said, "There have to be minor amendments to this act." This is not, and Bill 55 is not, a minor amendment. The government, in its haste, gives us 59 pages of amendments — 59. There are only 20 sections to the act. I don't know; I think math is the same everywhere in Ontario, and it just doesn't make a lot of sense to me. It shows that you didn't have your facts right. It shows that again you're rushing legislation in, and it's not for the working class in Ontario. You heard time and time again how it's going to affect them. You heard how it's going to kill jobs. You heard how it's going to create an unskilled workforce in Ontario. But once again, the only way out is to compress time and time-allocate so that we don't have meaningful debate.

What about health and safety? Everyone said about this bill, Bill 55, that you're going to bring out unskilled workers, but it's going to affect them. It's going to affect their health and safety. You're not going to have those things. People are not going to be able to work safely on the job. Come on, we heard that. This is serious. You're going to have workers who are going to be out there — and as they said with the electrical trades, "It's a silent killer. You're making a mistake here." It might be the last mistake you ever make in your life. This is serious stuff.

The rewrite of this bill is not worth it. Go back to the table. You're dealing with workers' rights. You're dealing with their lives here. Go back to the table, withdraw this bill and let's have some meaningful consultation around the old bill, because it's been there for 30 years and people are saying that it worked. It needed minor amendment. Fifty-six amendments is not minor. The only option this government has is to withdraw the bill and do the right thing. I ask you today to do the right thing and support Mr Lessard's motion to withdraw the bill.

Mr Sergio: I'll be brief because preceding members have alluded to a lot of the comments that I wanted to make, especially the number of amendments that have been brought forward from the government — 30 amendments. They are major, as the member for Nickel Belt has mentioned. We have a bill here written on barely nine pages. I would say that the government's amendments alone, let alone the Liberal amendments, practically supersede the bill as it is presented.

The fact is — and I'm trying to address directly the motion that's in front of us — we have introduced a number of amendments. We believe the amendments we have introduced are good ones and if approved by this committee would make the bill a lot better. I believe the intent of the government was originally to make some changes, better changes, to the apprenticeship act, but when I see 30 amendments and when the public and the tradespeople did not have the opportunity to sift through them, evaluate them, comment on them, I believe the motion to defer it or bring in a new bill makes sense. I believe ultimately the government has serious intentions of producing a piece of legislation that is flawed, if I may say, as usual.

Regrettably, I have to say, speaking in support of the motion here, that you may say, "If the NDP wants to withdraw this bill as it is, where do they base their point, their judgment, since they have not introduced any amendments?" In defence of that I would have to say that perhaps they were hoping, and they are still hoping, and we hope, that the members will recommend exactly to withdraw the bill and hopefully they will bring their own amendments. But I have to say, because we have introduced a number of solid, good, sensible amendments, failing to approve the motion that is in front of us, the members will see the importance of at least supporting the Liberal amendments, as they will go a long way in making this bill much better.

Speaking in support of those people who have come before us, I would say that when we debate through the various public hearings a particular law that has been introduced by the government, and subsequent to that we introduce a time-limit allocation motion and we introduce more amendments larger than the bill itself, there should be a direction from the government saying, "We believe there are major changes." And they are major changes, because a lot of your motions here are totally brand new and they represent major changes to the bill. We should be giving the opportunity to those previous presenters, especially in this particular case where our trades are involved, to assess and evaluate those amendments.

Having said that, and knowing how the process works, I'll quit on that. I hope, failing to win support for the motion to withdraw the bill, at least the members will see the good reason, the sensibility in supporting the amendments that the Liberals have put forward.

The Chair: As the mover of the motion, Mr Lessard has asked to conclude the comments on this particular motion.

Mr Lessard: It's interesting to hear the Liberals talk about the amendments they've introduced here to do what they said will address the concerns of the presenters who came before our committee. I suspect, given the process we've gone through here, that none of the Liberal amendments is going to be accepted and that all of the government amendments are going to be accepted.

We didn't introduce any amendments to Bill 55 because, quite frankly, we didn't think it was fixable. This is flawed legislation that can only be changed by saying,

"Delete all sections of Bill 55 and in its place put in all new sections." The government has had an opportunity over the last two years to develop legislation that they felt was effective in dealing with apprenticeship training, and we weren't about to go through a process in a matter of a few short days to try and rewrite this entire piece of legislation, which I think is what is going to be required.

I think the government's introduction of substantive amendments really is an admission that this bill was a flawed piece of legislation from the start. I think the Liberals are introducing amendments to try and cover some of the impacts of the withdrawal of \$40 million of federal funding as well that previously had gone towards training in Ontario.

1050

I don't think there were amendments we could have introduced that were going to address the concerns that had been presented by the substantial majority of people at our committee. They told us that for 30 years, by and large, the current system was working quite well. Perhaps there may be some small changes that were required — we needed to do something to address the shortage of skilled workers in Ontario — but nobody was saying we should entirely throw out the system we have in place now and bring in an entirely new system.

It appears at least that the government agrees with that, because now they're saying that instead of repealing the Trades Qualification and Apprenticeship Act, they're going to keep it, and that was after the minister had come before our committee on the first day of the hearings and said, "We cannot go back to the 1960s to find a training solution for the 1990s. A 30-year-old act is not flexible enough to ensure apprenticeship training can expand to serve new occupations and new industries as well as keep pace with the change in existing occupations."

After the minister said that we can't go back to legislation that was over 30 years old, that's exactly what he's doing this week. Was he right last week and right this week as well? I don't think so. This is flawed legislation that resulted from a flawed process and we're not making that legislation any better by accepting the substantial amendments that the government has brought in at the 11th hour to try and fix up the mistakes they made through that flawed process. It isn't going to work. It's going to cause more confusion than it's worth. It's not going to increase the number of young people who are going to choose skilled trades as their future career goals, especially in light of the introduction of tuition fees, the ability to lower wages, the removal of standards with respect to the apprentice-to-journeyperson ratios, the elimination of the two-year contract requirements. All of those things are disincentives for young people to enter into apprenticeship training.

The only thing that is going to increase the number of skilled tradespeople is if employers recognize, by being regulated to recognize, that they have an important role to play in investing in apprenticeship training. We heard from a lot of people about the prospect of raiding by some employers from others, employers who aren't prepared to make that investment but find it easier to import workers

from Europe or from other countries or from other employers. Until all employers in Ontario are required to make an investment in training, there are going to continue to be shortages of skilled tradespeople in this province.

This bill doesn't address that. It's flawed legislation that is the result of a flawed process. I think we should be going back to the drawing board. This bill should be withdrawn. We should have a comprehensive piece of legislation that's not going to result in more confusion, but we need legislation that's going to address the apprenticeship training issues in Ontario, and that's the reason I've introduced the motion that I did this morning. I don't believe the time allocation motion has given us an adequate opportunity to reflect on the amendments that were put forward before us just yesterday. Our hands are tied, and far too often that's this government's approach. They limit the amount of debate that we have in the Legislature to a few days, then they introduce a time allocation motion that ties the hands of committees and says that when the bill is called back for third reading debate, the third reading debate is limited to a couple of hours, which is exactly the case we're faced with on this bill.

By next week this bill could very well be called on the order paper by the government House leader and passed into law some time in the middle of next week, before the persons who are going to be affected by this legislation have had an opportunity to know that the government even introduced any amendments to the bill. I don't think that is a democratic approach to the drafting of legislation and I hope the government takes that message to heart, because tying the hands of committees, tying the hands of members and severely limiting the opportunity for public input is not the appropriate way to draft legislation.

I don't think in this case it's going to do anything to improve the number of skilled tradespeople we have here in Ontario. It's going in completely the wrong direction, and the amendments that have been introduced by the government don't change my position with respect to that at all. Bill 55 is not fixable, and having two pieces of legislation instead of one isn't going to make the process any better; it's going to make it more confusing. I think the government's introduction of substantive amendments is really in recognition of the fact that this is a flawed process. If the government really wants to do it right they would withdraw this bill, go back to the drawing board and come up with a piece of legislation that is comprehensive and doesn't cause more confusion than it attempts to eliminate.

The Chair: Is there any further debate? If not, I'll call the question on the motion. All those in support of the motion?

Mr Lessard: A recorded vote.

Ayes

Caplan, Lessard.

Nays

Danford, Fisher, Froese, Gilchrist, Smith.

The Chair: I declare the motion defeated. Thank you very much for that process.

We're going to go through this logically of course. Everyone has the amendments before them. They're all numbered 1 to 53. The mover of the motion, if you could prepare to move that, we'll start with that now. We recognize Mr Caplan.

Mr Caplan: I don't know what the prescribed formula is, but —

The Chair: Just read it.

Mr Caplan: Read the whole motion?

The Chair: Yes.

Mr Caplan: I move that section 1 of the bill be struck out and the following substituted:

"Purposes

"1. The purposes of this act are,

"(a) to support and regulate the acquisition of skills for trades and other occupations through workplace-based apprenticeship programs that lead to formal certification;

"(b) to recognize that training in a trade or other occupation is important to employees, employers, public health and safety, consumer safety and environmental protection;

"(c) to expand opportunities for Ontario workers to work in safe, productive environments; and

"(d) to increase the competitiveness of Ontario businesses by providing a highly skilled, well-educated labour force."

Do we get to speak to it?

The Chair: Yes.

Mr Caplan: This reflects a number of the concerns that we heard, because many of these provisions were not contained within the purpose clause formally. I draw your attention to section (b), the importance of public health and safety, the importance of consumer safety, the importance of environmental protection.

Public health and safety is really critical. A person who is trained as an apprentice trains under the supervision of a qualified journeyman, someone who has those skills and that knowledge so that when they get that supervision, when they acquire those skills, they are not a hazard to themselves or to their co-workers. That's critical. If you are working on a structural bridge with a thousand tons of steel around you, you want to make sure that you have the ability to handle that safely for your own protection, for the protection of your co-workers.

1100

In some of the submissions that were presented we've seen how these kinds of protections have reduced the number of fatalities, reduced the number of workplace accidents, and I really think it's important that it be reflected in the bill. I would certainly want to put it this way: One of the presenters said "The elimination of standards will lead to chaos in the workplace and throughout industry, and it will erode national standards such as the national red seal program." That was the kind of comment we heard time and again, and as it relates to safety, I think that it's a very important part and ought to

be an important part of this bill. That's why we've moved that. I'll just leave it at that.

Mr Lessard: I want to speak in support of this amendment, Mr Chair. I hope that the government members will prove me wrong and will support the Liberal amendment to this section and not the government amendment to it and won't reject the first Liberal amendment, as I anticipate they'll reject every further one.

What I like about the government amendment as opposed to the — no. What I like about the Liberal amendment as opposed to the government amendment — another Freudian slip — is the fact that the government amendment really doesn't go far enough. One of the things we've heard from presenters was that there needed to be some provision in the purposes section of the bill that referred to consumer protection. We don't see that in the government amendment but we do see that in the Liberal motion. It refers to public health and safety and consumer safety and it also refers to environmental protection, which I think is an important statement to make in the purpose clause as well, especially given this government's record when it comes to environmental protection.

The report from the Environmental Commissioner over the last two years has really been a scathing commentary on the government's attention to protection of the environment and identifies numerous shortfalls of this government and various ministers and ministries in attending to issues of environmental protection. This is an opportunity to place not an obligation but at least a recognition in the legislation that issues with respect to environmental protection are at least going to be recognized in the apprenticeship training area. It doesn't take anything away from the section as it's written and adds a great deal to it.

We feel that skills training should be not only ensuring that we have a skilled workforce but also that it adds to the consumer confidence that the work that is being done by skilled tradespersons is done in a workmanlike manner and in a way that it's not going to expose them to unforeseen danger. We've heard the example on several occasions of the prospect of dangers if there is improper electrical work, for example. I don't think that anyone wants to feel as though they're going into a new home or into a new workplace and think that the installation of electrical equipment was done by someone who wasn't qualified and exposes a person to unnecessary risk of injury or death.

Even though the change to the purpose clause doesn't place an onus on any particular individual, it expresses an intention of the government to address that as an issue of some importance. It is an important issue and here's an opportunity for the government to put this in the bill so that they can say they agree that it is an important issue as well. But they haven't. It's not in the government motion. That's another reason that I support the Liberal motion here.

Skilled tradespersons not only work on our homes, they also work on other industrial facilities as well — nuclear power plants, water filtration systems, sewage systems —

and all of these things if not done properly can expose all of us to serious injury. It's important that we place a great deal of emphasis on consumer safety and on environmental protection. That's why I support this motion.

Mr Smith: I can concur with the members of the opposition party. There was considerable input and discussion around the issue of consumer protection and worker protection with respect to the purpose clause in the bill.

I will be, or the government is, speaking in opposition to this particular motion. We've presented, as Mr Lessard has indicated, an alternative or a parallel amendment that addresses that particular issue. It's important to realize that in considering this amendment, the references to health and safety, consumer protection and environmental concerns have the potential for laying the framework of designating all trades as compulsory. In that context, knowing that not all trades want to be compulsory in their designation, this would certainly be problematic for them. That is why we have presented an alternative motion that we believe, as government, respects the input that we've received with respect to consumer protection and protection of workers and the public at large.

The Chair: Thank you, Mr Smith. With that and no further debate, I'll call the question on this amendment. All those in support? Those opposed? I declare the motion defeated.

Amendment 2.

Mr Smith: I move that section 1 of the bill be struck out and the following substituted:

Purposes

"1. The purposes of this act are,

"(a) to support and regulate the acquisition of skills for trades and other occupations through workplace-based apprenticeship programs that lead to formal certification;

"(b) to promote quality training for trades and other occupations; and

"(c) by the means set out in clauses (a) and (b), to expand opportunities for Ontario workers, increase the competitiveness of Ontario businesses and ensure public and worker protection."

As I indicated, this is a parallel amendment to the motion presented by my colleagues in the opposition. It adds references and protections for the public at large and workers as well, and as we heard throughout the course of the consultation, the concern expressed by many skilled trades groups about the absence of trades from the body of the text of the bill. This amendment in part is the first indication whereby that reference would be embodied in the text as well as those of consumer and worker protections that were requested.

Mr Caplan: I must say that this section is an improvement over the purpose clause previously, but it is still incredibly weak. There are no provisions that I can see — all that they've added is "to promote quality training for trades and other occupations." Again, this whole notion of promoting something is a nebulous kind of concept. It doesn't really speak to specifics of consumer protection; it doesn't speak to the specifics of why you do

that: that you do that for health and safety reasons, you do that for standards. This could be strengthened. The opportunity to strengthen it was just defeated by the government, unfortunately.

This is an incredibly weak attempt. Without trying to be truly offensive, I think it just gives lip service to the concepts and the notions that were spoken to earlier. The word "trade" does not appear on the bill, so we add the word "trade." That doesn't really show a great deal of commitment to what that whole notion is all about. Unfortunately, I'm not seeing here the government's true commitment to a number of the principles that were brought out by presenter after presenter. I think that's quite unfortunate.

1110

I would hope that in talking about this particular amendment to the purpose clause, the government members would want to say how they view the bill as fulfilling many of the concerns that we've heard. For example, in my opinion it's not going to be industry-driven. It's going to be driven by bureaucracy. I think that's a mistake. How will these things actually happen? I must say that you can take the view that, "Any bone that the government is going to throw you, you might as well grab on with both hands," but a weak, watered-down general statement that pays lip service I really think is cynical and I don't think ought to be supported.

Mr Lessard: I'm speaking in opposition to this section because it just doesn't go far enough. It's the government's attempt to pay lip service to expanding the protection of the public and workers. The only reference there is that it says it should "ensure public and worker protection." I don't think that goes anywhere near far enough and it doesn't reflect the substantial majority of presenters we had with respect to this section.

We heard from people like the Ontario Construction Secretariat, the Association of Millwrighting Contractors of Ontario, the mechanical contractors association, the sheet metal workers, the roofers, hoisting engineers, and they were all saying that this clause should refer to the importance of training in a complete trade, health and safety, consumer safety and environmental protection. All of those people said that. The building and construction trades of Ontario, the building and construction trades of Ottawa, plumbers, the Sprinkler and Fire Protection Installers of Ontario also indicated that there should be a reference in the purpose clause to worker safety, consumer and environmental protection. The construction association made a similar suggestion as well. Whom do we have that said they supported the clause the way that it was? We have the Ontario Chamber of Commerce. Those were the only people who said that they supported it the way it was.

There's been some slight modification of that section. It doesn't go anywhere near far enough; especially, it doesn't even address the point that was made by all — I think I read the names of at least a dozen presenters who said there should be something in the bill about environmental protection. That is conspicuously absent from this

amendment. I wonder why that is the case. Why is the government reluctant to put anything in this bill about environmental protection? I think that it really indicates the priority that this government puts on environmental protection. It's the very reason that the Environmental Commissioner's report is highly critical of this government's initiatives and I suspect that next year's report will be more of the same.

We've seen the reduction in the number of Ministry of Environment officials who are there to enforce environmental laws. There have been substantial cuts there. We've heard with respect to the enforcement of apprenticeship legislation as well that right now there is very limited enforcement with respect to the provisions of that legislation. This government's pattern has been to reduce the number of inspectors in all areas, including environmental protection, and the failure to even put words in the purpose clause referring to environmental protection I think is really an indication of the lack of importance that the government gives to this issue. That's why I'm not supporting this motion.

The Chair: Thank you, Mr Lessard.

With that, I'll call the question. All those in support? All those opposed? I declare the motion carried.

We're now finished section 1. I call the question on section 1, as amended. All those in support? All those opposed? Thank you. That's carried.

Government motion 3.

Mr Smith: I move that the definitions of "apprentice," "registered training agreement" and "sponsor" in section 2 of the bill be amended by striking out "an occupation or skill set" wherever that expression occurs and substituting it in each case "a trade, other occupation or skill set."

As I indicated in my comments in the previous motion, this committee received a considerable amount of input in terms of the concern with the absence of the reference to trade and the terminology of trade throughout the body of the bill. This particular amendment adds the term "trade," clearly indicating or signalling that apprenticeship training includes trades and occupations.

Mr Caplan: It is very disappointing that the government is going to move ahead with the concept of skill sets. The overwhelming number of presenters in the consultation process that has taken place over the last two years, and I would say there are 10 groups — sheet metal workers, the roofers, the PACs, the pipe trades, which are employers and employee groups — said, "Remove any references in this act to the term 'skill set.'" I'll go on. The united group says, "The concept of skill sets must be removed from the bill and replaced by 'trades,' and where applicable, 'compulsory trades.'" The construction association was saying, "Amend this section by adding 'employment' after the word 'skill set.'" They're not even doing that.

Skill sets was the nature of what presenter after presenter said would water down the standards, would water down the trade, would water down training in Ontario. Because the government is moving ahead with this particular concept, by the way, out of step with any

jurisdiction in Canada, out of step with any jurisdiction internationally, the government is essentially placing a wall around Ontario. People trained in Ontario will not have any mobility outside and the consequence of that is that when people look for skilled tradespeople in the entire block of the trade, they're not going to find them in Ontario. They're going to look outside. Jobs that come to Ontario or potentially could come to Ontario will not be filled by Ontarians. They will not have the skills; they will not have the ability to fill those jobs. That is a grave concern. If you think we've got problems now inter-provincially, in Ottawa we heard conclusively from practically every presenter that if the government moves ahead with this concept, that problem will be exacerbated, that problem will be worsened.

This is a move to put a shroud of — it's going to sound over the top — death over jobs in Ontario. When asked, "What kind of climate will Bill 55 create?" employers told us that if Bill 55 passes as is, and they were referring to the provision of skill sets, Ontario and Ontarians will lose jobs. I would think that any government which goes contrary to the advice that they're getting in that regard does it at their peril. We can ill afford to move in this kind of direction when it is going to cost Ontario and Ontarians jobs.

The other aspect of skill sets, and I want to highlight this for the members of the committee: If somebody goes and is trained in a specific skill set to do a specific job, what ability will they have, given the cyclical nature of employment in the various trades and the various industries, what prospects will they have when there's a downturn? Will they be able to move to a different sector? Will they be able to move to a different job? Certainly that's very much in question. People will be put into dead ends.

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You say to a young person, "Get a skill in this particular area." That may serve you well for a year or two years or three years, but after that you're obsolete, after that you don't have prospects. It is absolutely unconscionable that we would allow young people or anybody to be placed in that situation. I strongly urge all members of this committee, particularly the government members, to reject this notion, to make sure that Ontario is in step with other provinces in Canada, with other jurisdictions around the world. You are creating a nightmare for Ontario's workers and Ontario's future. I urge you — extreme caution.

Mr Lessard: I want to speak in opposition to this motion as well. I notice that the liberals have a motion to change the definition of "apprentice" as well. Once again, I suspect that the government amendment will succeed and that the Liberal amendment will go out the window. Really, the government amendment deals with the whole issue of skill sets.

We heard over and over from people, especially in the industrial sector, that the introduction of the concept of skill sets was going to water down skilled trades. It's part of the deregulation process that we've seen take place in the southern United States and in Alberta, and it has left

those jurisdictions with a real shortage of skilled tradespeople.

What we need to do is ensure that we have tough standards and tough regulations for skilled tradespersons. I think everybody here understands what it is that an electrician does, for example, and understands the concept of appropriate training for an electrician. We heard from a number of them, especially in Sudbury, who talked about how the program that electricians go through is anywhere from about three to five years, and even after that time they continue to learn throughout their adult lives. The reason they're able to continue to learn, and this isn't unlike many trades, is that they have the skills to be able to continue to learn. They have the tools that permit them to learn new concepts, to address changing circumstances in industries and in construction.

The introduction of skill sets is going to lead to a situation where we're not really sure what kind of training people are going to have. I suspect that there are going to be a number of training facilities and programs introduced in community colleges, for example, that will provide eight-week training courses for a person who wants to be whatever. I can't think of an example as to what sort of jobs they may be training people for, but it's likely that they'll be low-skilled jobs, they'll be for short-term periods, and they'll be provided to people in the hope that after paying their money, paying their tuition fees and getting this eight-week course, there might be some hope of a minimum-wage job available for them at the end of the road.

I don't think that's the type of system we want to be encouraging here in the province. I don't think that's the sort of thing we want to hold out for young people that will provide them with some hope for the future. I don't think it's going to do that. It's really a lowering of standards as part of this government's race to the bottom.

We wonder as well what the impact of the introduction of skill sets is going to have on the red seal program, because this not only affects the ability of skilled tradespersons to travel between employer and employer, as the member for Oriole has referred to, but also will affect people being able to cross provincial borders and international borders. We need to ensure that we have people who are highly skilled so that people outside of this jurisdiction understand what it means to be a skilled tradesperson from Ontario and respect the abilities of those people.

People who are trained in this new skill set type of environment are quite likely going to end up in short-term, low-wage, dead-end jobs. I don't think the way you double the number of apprentices is just by widening the definition of people who can be called apprentices and watering down the skills that they need. That's what I see by the inclusion of skill set in the provisions of this bill and in the apprenticeship training system. The amendment placed by the government attempts to broaden the definition of "apprentice," but it still retains that provision for skill sets which we are fundamentally opposed to.

The Chair: With that, I'll put the question. All those in support? All those opposed? The motion is carried.

Liberal motion 4.

Mr Caplan: I move that the definition of "apprentice" in section 2 of the bill be struck out and the following substituted:

"'apprentice' means an individual who is at least 16 years of age and has entered into a registered training agreement under which the individual is employed in an employer-employee relationship and is to receive workplace-based training in a trade or other occupation as part of an apprenticeship program approved under section 4."

I'd like to speak to this particular amendment and why I think it's important. We've put some very significant concepts into this, first of all, a person who is 16 years of age. That was contained within the legislation previously. It has not been changed by Bill 55, but under the definition of what an apprentice is, it should be spelled out and be very clear that we are referring to people who are 16 years of age or older.

As well, the concept of a person in an employer-employee relationship is a key to apprenticeship and I go back to the words of some of the presenters who said that apprentices don't create jobs; jobs create apprentices. Without that tie-in between employers and employees, apprenticeship is a meaningless concept. That's why it is important that it be spelled out that you have an employer-employee relationship. That has to be very clear.

The third concept I would touch on as well is under section 4. Section 4 deals with what we call the provincial apprenticeship committees, and we will be coming up to that later in the bill, but why that's important: We've replaced the person who's designating it from being the director of apprenticeship to being the provincial advisory councils, as they are now, or the provincial apprenticeship councils, as we will be naming them.

Why that's important: Essentially, what the government is saying is that the director of apprenticeship is going to have a policy role in the apprenticeship and training system. I think that's entirely the wrong direction. In fact, presenter after presenter said that's not what should happen.

I'll refer to it, because I think it is significant that we have comments from folks like the Toronto Board of Trade. The Toronto Board of Trade is very clear. They say that the industry committees are advisory; it is the director who holds immense power. They say that the language is far too open-ended and should be rewritten to provide a clear delineation of what a director may do.

You see, the powers of the director are so broad that he or she will have almost exclusive ability to make any changes whatsoever; in fact, nearly ministerial power. That is why it's important that these definitions of what an apprentice is and what an apprenticeship program is should be approved by an industry-based committee, whatever sector that is. It really ought to be industry-driven.

1130

I had thought, listening to the minister and listening to government members, that was what their intention was. Unless they adopt that kind of a principle, unless they

adopt the attitude and unless they adopt this kind of amendment, which explicitly sets out an apprenticeship program approved by an industry committee made up of equal members of employers and employees, people who have the know-how, people who work in that field on a daily basis, then this government will have shown that many of their words are just rhetoric. I think they show that things like their red tape commission are strictly a boondoggle, because this is creating red tape.

This is not industry-driven. Give some power and authority over to the industry to make the decisions that are appropriate for hairdressing, for technology, for the auto sector, for the construction sector, for every sector. Let them decide what is going to be appropriate, what is going to work. This is incredibly significant.

We have three concepts introduced in this section that we've put in: that the age is formalized; that there is that employer-employee tie-in; and I will go back to the statement that it is jobs which drive the apprenticeship and training system. It is not the reverse. That has to be one of the fundamental underpinnings of what an apprentice is. It must be spelled out. I will harp on this repeatedly. You will hear me say repeatedly it must be industry-driven. I think I've made those points very clear. I hope the committee will support this particular amendment.

Mr Lessard: The proposed amendment by the Liberals doesn't refer to skill sets, with respect to which I think I've already made the argument that the NDP doesn't support this move towards skill-set-based training because we believe it's a watering down of the qualifications of skilled tradespersons, that the result of the legislation in Bill 55 is going to lead to lower-skilled individuals who are going to end up in lower-wage, dead-end types of jobs with skills that are not going to be transferable.

One of the questions I have, however, is with respect to the requirement that an individual be at least 16 years of age, because that is a provision that is contained in subsection 5(2). I wonder what the reason is for that being included in this definition as well.

Once again, this is probably an amendment that is going to be defeated because it doesn't refer to skill sets, which we know is the direction in which this government wants to take Ontario and is the completely wrong direction, in my opinion and in the opinion of my NDP caucus colleagues.

Mr Smith: I'll be speaking in opposition to the Liberal motion, albeit I want to recognize both my colleagues' acknowledgement that in fact the minimum age requirement is already captured in the bill, as printed. The government is confident that the language presented there is sufficient to respect the requirement as it applies to 16-year-olds, and certainly, in that context, that further clarification to that particular reference isn't necessary in the context of the definition as proposed for "apprentice."

It also speaks in part to the employer-employee relationship, which comes back to the issue of the sponsor and to the issues that we've discussed in that context and the fact that we currently have some 4,000 apprentices who are under local apprenticeship committee agreements.

They are employers of record only, and in that context, this bill has attempted to recognize what's already happening in the construction sector.

By agreeing to this particular motion, we would technically prevent LACs and other broader groups, specifically native groups or women's groups that may wish to sponsor in a similar fashion, from being involved in apprenticeship training.

The Chair: Any other discussion? I'll call the question. Those in support of this amendment? Opposed? I declare the motion defeated.

Government motion 5.

Mr Smith: I move that the definition of "certificate" in section 2 of the bill be struck out and the following substituted:

"'certificate' means a certificate of qualification or other certificate issued under subsection 8(1); ('certificat')

"'certificate of qualification' means a certificate of qualification for a trade or other occupation issued under clause 8(1)(a) and does not include a certificate for a skill set issued under clause 8(1)(b); ('certificat de qualification professionnelle')."

This amendment is proposed by the government in response to the concerns that we heard throughout the course of the public hearings with respect to fragmentation of a skilled trade. It is designed for the purpose of indicating the government's commitment to issue certificates of qualification only for complete trades or occupations and not skill sets. As I indicated, and as Mr Caplan and Mr Lessard have referenced in previous comments, we recognize the sensitivities and significance of the issues expressed around skill sets and through this clarification want to demonstrate to those involved that we're clearly speaking about a complete trade or occupation.

Mr Caplan: I must say I don't take the same tack that the parliamentary assistant does. It certainly adds the definition of "certificate" and adds the definition of "certificate of qualification," and they relate to the addition of a certificate of a skill set. That's really the heart of what we're talking about: You can have a lot of these parallel situations and that just creates a whole lot of confusion.

If you're certified in a particular skill or in a particular trade or a particular occupation, is there any overlap? How is it governed? What does it mean? How is the public supposed to be aware or know what the implications are? In fact, I don't think the public would have the sophistication to be able to know all of the different nuances, all of the different delineations, available here. I think it really has to be set out. In fact, I think the whole notion of skill sets really ought to be abandoned, for reasons that we heard, hours of presenters saying that it is a watering-down of what we have. It is a watering-down of training. It is a watering-down of safety standards. It is a watering-down of the ability of people to have any kind of comprehensive knowledge.

It was interesting — I'll get into that story a little bit later. The point is that the section which is changed does not say "certified trade." It does not say "certified occupa-

tion." It just talks about "certificate." I think the government could be much more explicit and much more clear about what their intention is and in fact make it far less cumbersome. The confusion that is caused by a lot of the changes that are being proposed I think is only going to continue. Having parallel systems, having parallel definitions, having parallel situations is a recipe for disaster. I urge the members not to support this particular amendment.

The Chair: If there are no other comments or questions, I'll call the question. Those in support of this amendment? Those opposed? It's carried.

Amendment number 6, Mr Caplan.

Mr Caplan: We have attempted to add a definition of "certified trade" and "certified occupation."

Mr Gilchrist: You have to read it first.

1140

Mr Caplan: My apologies.

I move that section 2 of the bill be amended by adding the following definition:

"'certified trade or certified occupation' means a trade or other occupation that is designated as a certified trade or certified occupation under section 11."

I think it's important that we begin to delineate what those are, what we're talking about as far as certified trades and certified occupations are concerned and begin to get away from the notion of skill sets. We're going to hear a great deal about this. We've already heard a great deal about this. It is a very simple thing to say, "This is what it is, this is what it always has been and this is the way it works." Public safety will be protected, consumer protection will be involved, and I think it's important that we have these definitions included in Bill 55.

The Chair: Further questions or comments? I'll call the question on this particular amendment. All those in support? Opposed? I declare the motion defeated.

Government motion number 7, Mr Smith.

Mr Smith: I move that section 2 of the bill be amended by adding the following definition:

"'letter of permission' means a letter of permission issued under section 9; ('permission intérimaire')"

This again addresses an issue that was significant to the deputants who appeared before the committee with respect to the letter of permission, very clearly, I might add. Committee members will recall there was significant discussion in terms of the weaknesses of the existing language as it applies to "letter of permission." Certainly from my point of view, the language that was originally designed with respect to letters of permission attempted to alleviate those concerns and some of the provisional activities that had occurred in the past that were unacceptable to skilled trades sectors. This definition allows us to provide conditions of issuance and would be further defined as part of the regulations that would accompany the bill.

The Chair: Questions or comments? Seeing none, I will call the question. All those in support? Opposed? The motion is carried.

Liberal motion number 8, Mr Caplan.

Mr Caplan: This is identical to the next one. I'll withdraw this amendment.

The Chair: Government motion number 9, which I gather is the same as amendment 8.

Mr Smith: I move that the definition of "occupation" in section 2 of the bill be struck out.

As indicated by my colleague Mr Caplan, this is virtually identical to the proposal they presented and effectively removes that definition.

The Chair: Any questions or comments? Seeing none, I'll call the question. All those in support? Opposed? It carries, unanimously it looks like.

Government motion number 10, Mr Smith.

Mr Smith: I move that section 2 of the bill be amended by adding the following definition:

"'person' means an individual, corporation, partnership, sole proprietorship, association or any other organization or entity; ('personne')

This issue comes back again to the employer sponsorship items that were discussed at length by the committee and others over the course of the past week. It provides additional clarification or definition to in part ensure the continued participation of our local apprenticeship committees and, as well, to give clarification as to who could be considered a sponsor.

Mr Caplan: I must admit I read this quite a bit differently. It will be coming up in amendment number 42, one of the government's amendments. The government's amendment says "authorizing an industry, organization or other person." This definition defines "person" as "an individual, corporation, partnership, sole proprietorship, association or any other organization or entity." In section 42 the director has the ability to designate his or her powers to any person, any person meaning "individual, corporation, partnership, sole proprietorship, association or any other organization or entity."

I have some grave concerns about what this means. I would put to the government members a hypothetical situation where the NDP happened to be the government. Would they decide or would the decision be made to designate the power of the director of apprenticeship, say, to Mr Sampson? Would there be any discomfort doing that to Andersen Consulting who've already taken this government for 180 million bucks?

These are the kinds of discretionary powers which you're granting in the definition of apprenticeship. Would you be happy if I gave it to someone who was a Liberal person? That's the kind of abuse that could happen with this kind of provision. It is so broad and so far-reaching. I think you've unwittingly opened the door to something that best remains shut.

I have some grave concerns about what this means. By defining it in this way, the government has literally invited any kind of abuse under the sun with no accountability provision. If we have to wait to find out what will happen when this type of arrangement is in place, when this kind of broad definition is in place, if we're going to allow any corporation, any individual, any sole proprietorship, association or other organization or entity, literally any-

body under the sun to have almost unlimited ministerial power with no accountability, can you imagine what the consequences of that will be?

I certainly urge the members of this committee to defeat this amendment as it relates to government motion 42 and perhaps other sections which I haven't even caught. I don't know if there are going to be some comments, but I hope there will be some definite rethinking about what this means. You want to create a system which is industry-driven, but there has to be a check and balance on this. Under this definition there is no check, there is no balance. Don't let that happen, please.

Mr Lessard: I have a question for legislative counsel. I'm wondering why we need to have a definition of "person" in this legislation, what it actually refers to. It seems to me that what is referred to as a person in most pieces of legislation is generally understood. I'm not sure whether there's a definition of "person" in the Interpretation Act, but I suspect there may be.

I haven't done a word check through the bill to see where "person" is referred to in the legislation as it's amended. Once again, this is one of the problems that we're faced with as a result of this legislation being forced through at such a rapid pace. We haven't had an opportunity to see these amendments in a form that it's easy to find out where "person" appears in the legislation after the changes are made.

What I'm referring to specifically is section 8 as it now exists. I know it's going to be amended, but that section, for example, refers to "persons." It says that persons who pay a fee may be issued a certificate. I don't think it's the intention of the bill to permit the granting of certificates to persons, meaning individuals, corporations, partnerships etc; it's only individuals who are going to be granted those certificates.

I don't know where else "person" appears in the bill. I'm asking for some guidance here from legislative counsel as to why we need this definition and whether there's been a check to see whether "person" appears in any other places in the bill that might be caught by this amendment unintentionally.

The Chair: The Chair recognizes leg counsel, Mr Beecroft.

1150

Mr Doug Beecroft: In the absence of this definition, "person" would only mean individuals and corporations. If you want references in this bill to include other people, for example, unincorporated associations, you need to expand the definition of "person." You're right that the word "person" is used in a variety of places in the bill and you need to examine all of those places.

Mr Lessard: I guess in light of that answer, we don't know what other places in the bill where "person" appears might be caught by this amendment and have some unintentional consequences that —

Mr Beecroft: The word "person" is used in the bill in various places. You can read it in the bill.

Mr Lessard: I didn't hear that.

Mr Beecroft: The definition of “person” applies every time the word “person” appears in the bill. So it’s there. It’s not hidden some place. The word “person” appears in the bill.

Mr Lessard: The word “person” isn’t hidden, but the consequences of putting this definition in when the bill means “person,” meaning an individual who might be able to apply for a certificate — we’re expanding the definition of “person” to include corporations and associations, for example — that’s an unintended consequence. That’s my suggestion.

I haven’t had an opportunity to examine where “person” appears in the legislation and I was just wondering whether anybody else has had that opportunity. I take it that legislative counsel hasn’t had that opportunity.

Once again, my suggestion, getting back to my original motion, is that I think we should be asking the government House leader for more time so that people have an opportunity to reflect on these amendments that are being brought forward at the 11th hour and give us some time to review the consequences of these amendments and give those who are going to be impacted by these amendments an opportunity to reflect upon them as well. I suspect that because of the lateness of the hour in introducing these substantive amendments, there are a number of consequences that haven’t been well thought out by the government.

I indicated earlier that I think this is going to lead to a more confusing dual system. It’s not going to expand opportunities for young people to get into apprenticeship programs. After having two years of review in order to come up with the proposals that the government has, you would think they would have been able to get it right by now.

The Chair: The Chair is entertaining from the government side. It’s your motion. Is there any particular reason to respond in any other way than voting on this?

Mr Smith: I think leg counsel has given the rationale for the inclusion of the definition of “person.” In my comments with respect to the definition, it has been included for the purpose of addressing the continued participation of our local apprenticeship committees as sponsors for that matter in training agreements. That’s the rationale and leg counsel has given the technical rationale for that reason.

The Chair: If there are no other comments —

Mr Caplan: A question. If that were the case, under the definition of “sponsor,” why wouldn’t you place that definition or that clarification?

Mr Steve Gilchrist (Scarborough East): Read section 12 and section 15.

Mr Smith: I think as we move through here, we’re going to see continued refinement of those definitions as they apply to the sponsorship and employer-employee issues that you’ve raised. All I can tell you is that my understanding of the rationale for the inclusion of “person” is exactly that, to recognize the relationship that exists today for some 4,000 apprentices in this province,

and from a legislative perspective the inclusion of that definition was necessary to provide clarification.

The Chair: Seeing no further questions or comments, I’ll call the question. Those in support? Those opposed? The motion carries.

I’ve got a Liberal motion, Mr Caplan, number 11.

Mr Caplan: I move that the definition of “registered training agreement” in section 2 of the bill be struck out and the following substituted:

“‘registered training agreement’ means an agreement registered under this act under which an individual is employed in an employer-employee relationship and is to receive workplace-based training in a trade or other occupation as part of an apprenticeship program approved under section 4.”

Again I would refer members to the very important principles of the employer-employee relationship that really is one of the key foundations, one of the key cornerstones of an apprenticeship system, in my opinion. I would also point out that we have changed it from the bureaucracy, from the director of apprenticeship to the industry-based PACs, which we also feel is appropriate. We have also removed skill sets and the references to skill sets, again, for similar kinds of reasons as have already been expressed. We feel this is an important and appropriate thing to do in this particular section.

The Chair: Any further questions or comments? Seeing none, I’ll call the question. Those in support of this amendment? Those opposed? I declare the motion defeated.

A Liberal motion, Mr Caplan, number 12.

Mr Caplan: I move that the definitions of “restricted skill set” and “skill set” in section 2 of the bill be struck out.

I believe it’s fairly self-explanatory. Presenter after presenter, individual after individual, talked about skill sets, about what the implications of skill sets would be. In fact, United Alternative said, “This is where our greatest objection lies, in the provision of skill sets.” One of the other presenters said, “With the introduction of skill sets to the trades, mobility for our trades people and apprentices through the red seal program will be eliminated.” So people will not have the ability to move throughout Canada and there will not be that guarantee of quality.

The United Brotherhood of Carpenters and Joiners of America, the Canadian Auto Workers, the International Brotherhood of Electrical Workers were most concerned about Bill 55’s intention to replace trades with a restricted skill set designation: “Compulsory trades, of which there are currently 19, have developed to ensure worker-consumer safety. Bill 55 will take the certified trades and turn it into a cafeteria of skill sets and parts of jobs.”

Various groups, the boilermakers association, the association of contractors said: “The skill set concept will make it impossible for our industry to manage its human resources on a national basis. Using economies of scale that are demanded in today’s market, the restrictive and non-restrictive skill sets will reduce regulation and cause

risk to environmental safety. It will reduce the quality of training standards." It will create an inability to attract a high level of candidate to their particular trade.

They went on: "We are concerned that enforcement of the restrictive versus non-restrictive skill sets will be impossible," so administrative issues around doing that. "There will be no incentive to complete an apprenticeship, resulting in a partially trained workforce." There was also a reduction of Canadian standards of trained journey-people. "It will necessitate the importation of skilled labour." I want to make that point again: "It will necessitate the importation of skilled labour." We will have to bring people from other countries to do these jobs.

The list goes on and on and I'm sure we'll have other opportunities to talk about this, but this is one of the key concepts of this bill that ought to be defeated.

Mr Lessard: I want to speak in support of this motion as well because this really is the area of change that's proposed in Bill 55 that we most fundamentally disagree with, and that's the whole concept of the introduction of skill-set-based training.

There was an article in Monday's Windsor Star called "Gearing Down: Global Automotive Squeeze Reaches Windsor-area Tool, Die and Mould Industry." This story was about the importance of the tool, die and mould-making industry to the Windsor economy and the Ontario economy as well. We have heard that during our deliberations and it's a pretty common fact as well that there is an extreme shortage of skilled tradespersons in this segment of the industry, especially in the Windsor area. One of the persons who is quoted in the article, Jean Kroes, says, "Forty per cent of skilled workers in North America will retire by 2002 — creating a need for about 15,000 skilled workers."

Mr Caplan was referring to the portability of skilled tradespersons and also the portability of their skills. The industry in the Windsor area over time has depended upon being able to import skilled labour, from Europe primarily and from other businesses. It's clear that isn't a practice they're going to be able to continue in the future because that well is beginning to dry up. We need to ensure that we have well-trained, skilled tradespeople here in Ontario because if we don't, then the future investments by parts manufacturers especially are not going to be made in Ontario, they're going to be made in other places.

The article refers as well to where our competition lies. This was a bit of an eye-opener to me because it's not what I would have picked as my first guess, that being the country of Portugal. I really wonder what it is they're doing in Portugal that is giving them the advantage of being able to compete with us now on such a favourable basis. I suspect what they're probably doing is investing in training, ensuring that their skilled tradespeople are highly skilled and that those skills are ones that are going to be transferable to other jurisdictions, and they're not doing it on a skill-set basis, which is the road we're going down here.

If we have people who are only trained to do very specific jobs, once that one part of a job they're trained to

do is no longer available or that skill is no longer necessary, then those people are going to be out of work. They're not going to be able to build upon that limited skill set they have because they haven't got the well-rounded education and training that will permit them to do that.

I see we're reaching the time that we need to adjourn, Mr Chair.

The Chair: It's been drawn to my attention. With the indulgence of the committee, there's this which we've had considerable time on. I would like to deal —

Mr Lessard: I'm not quite finished my remarks on this section, Mr Chair.

The Chair: With the permission of the committee, do you wish to reconvene at 3:30 or after orders of the day?

Mr Lessard: I think 3:30 is fine with me.

The Chair: This committee stands adjourned.

The committee recessed from 1203 to 1531.

The Chair: Good afternoon. It's a pleasure to be back here this afternoon. We're in the midst of dealing with Liberal motion 12. When we left the discussion at that time, Mr Lessard had the floor. With that, I would ask if he has any further comments over and above the comments he's already made.

Mr Lessard: I've had a chance to reflect over lunch, Mr Chair, and I don't like the idea of having restricted skill sets in the bill any more than I liked it before lunch.

The Chair: Thank you for that brief summary. I appreciate that. Are there any other comments on this? Seeing none, I'll call the question.

All those in support of this motion? Opposed? That's defeated.

We have Liberal motion 13 before us.

Mr Caplan: I move that the definition of "sponsor" in section 2 of the Bill be struck out and the following substituted:

"'sponsor' means a person that has entered into a registered training agreement under which the person employs an individual in an employer-employee relationship and is required to ensure that the individual is provided with workplace-based training in a trade or other occupation as part of an apprenticeship program approved under section 4."

The salient points really are to highlight the employer-employee relationship. As I made the case earlier, that is the true nature of apprenticeship; that there is a job, there is an employment opportunity for them. I would highlight the united trades group, who said that apprentices don't create jobs, jobs create apprentices. That's the real key, so you need to have the employer-employee relationship.

The other aspect that I would highlight as well is that we've changed the designation from the director of apprenticeship having the approval authority to make it industry-driven, so that the provincial advisory council, or as we call it, the provincial apprenticeship council, has the authority to approve the programs, to make those decisions about what is going to be appropriate for that particular industry.

We very much believe that the apprenticeship and training system should be industry-driven, not bureaucratically-driven. The bureaucracy has a very legitimate place, and that is in an administrative function. But as far as a policy function is concerned, that should strictly be under the purview and the guidance of people who work, people who employ others, people who have a direct stake in the apprenticeship and training system in Ontario. That's why it is critical that industry be the driver of an apprenticeship and training system in Ontario that is going to have excellent job opportunities for young and older workers. I would really urge all members of this committee to support this particular amendment.

The Chair: Any further comments or questions? Seeing none, I'll call the question on this motion. All those in support? Opposed? I declare the motion defeated.

Shall section 2, as amended, carry? I call the question. All those in support?

Mr Caplan: Hold on a sec. I thought there was an amendment to section 2 as well.

Mr Peter L. Preston (Brant-Haldimand): Section 2.1.

Mr Caplan: There is no 2.1.

Mr Preston: Section 2.1 is a new section.

The Chair: Opposed? Carried.

Section 2.1 is a government motion.

Mr Tom Froese (St Catharines-Brock): I move that the bill be amended by adding the following section:

"Application

"2.1. This act does not apply to a trade to which the Trades Qualification and Apprenticeship Act applies."

The Chair: Any comments or questions?

Mr Caplan: This is an amazing reversal on behalf of the government, I must tell you. We're now going to have two pieces of legislation, two apprenticeship systems in Ontario — talk about doubling the bureaucracy, doubling the red tape. This is absolutely amazing.

I'd like to continue my comments but I do have one question, to perhaps the parliamentary assistant. Has the Red Tape Commission taken a look at this particular recommendation and rendered a judgement on this particular aspect? I'm astounded, so to the parliamentary assistant —

Mr Smith: I trust the Red Tape Commission will review this particular enabling piece of legislation and that they'll be sensitive in the same way that the government has been in terms of recognizing the uniqueness of the construction industry.

Mr Caplan: I have some further comments, but I find that an amazing answer, sir. This aspect literally takes 40% of those involved in apprenticeship and training in Ontario and removes it from this bill. In essence almost half of the sectors, 40%, are gutted from this bill, so really the government has ripped the heart out of the bill. It's lying on the floor bleeding and I really think —

The Chair: Plagiarism.

Mr Caplan: I thought it was a very good quote.

I think we should put the bill out of its misery, although I must say Bill 55 is a bad piece of legislation and

anything which is going to exempt or remove aspects from Bill 55 I could find a way to support. I think it's just a shame that other sectors don't enjoy the same opportunity to be able to get out of a bad piece of legislation. I think that should probably happen or, on the contrary, I think that provisions of Bill 55 should be either removed or significantly amended to help and enable those sectors — power motive, the service sector, the industrial sector — to strengthen them and give them the ability to have a trained and skilled work force.

The problem is we still have provisions around skill sets. We still have industry committees with no enforcement capabilities. We still have a bureaucratically driven system. These are key and fundamental flaws in Bill 55. Now construction is not going to have to operate under this kind of arrangement, but I must tell you that it is an absolute shame that other sectors in our economy, vital sectors — today we saw letters produced from the Big Three automakers detailing very, very strong concerns about Bill 55 and what it will mean to their particular industries. The largest employers in Ontario are saying that Bill 55 is bad for business. I would really urge the government members to sit up and take notice, particularly in places like Oshawa or Windsor or the other cities and towns which are dependent upon the auto trade.

Mr Lessard: London.

Mr Caplan: London, Cambridge, Alliston. It is absolutely remarkable that we have this much opposition and this kind of advice to the government coming from employees, coming from employers, falling on deaf ears. I say in all candour to the members of the government, stop and take a look at what you're doing. You've pulled back, you've said to the construction sector that Bill 55 is not acceptable. It's not acceptable for the industrial sector, it's not acceptable for the service sector, it's not acceptable for the power motive sector. Stop now. I think I've outlined those concerns and I really do look forward to hearing what the other caucuses have to say about this particular aspect of it.

1540

Mr Lessard: I was hoping that we were going to get some explanation from the parliamentary assistant for the rationale for the introduction of this section, which is going to exempt a number of tradespeople from the application of Bill 55. We've been saying all along that Bill 55 goes in the wrong direction and that the government shouldn't be doing this. We heard from a number of presenters in Windsor and in Toronto and in Sudbury and Ottawa who made that point as well. I say again that this is a flawed piece of legislation that resulted from a flawed process and I think that anybody who can be cut free of this damaging piece of legislation, that is a good step.

As Mr Gilchrist has so astutely observed, I will support this section of the bill but I don't think it goes far enough. I think that this section should say, "The act doesn't apply to anyone to whom the Trades Qualification and Apprenticeship Act applies," and that way we would have Bill 55 apply to no one. That would make me even

happier. I say again, this is a damaging piece of legislation and anyone who is not going to be covered by it, that is a good thing.

Mr Smith: To Mr Caplan, in my introductory comments I indicated the rationale for this particular motion and that is in fact to enable following amendments that we'll be dealing with as a committee in terms of the construction sector. Clearly, we did hear over the course of the last four days the uniqueness of the construction sector, the satisfaction level that they have with respect to the current provisions that apply to them with respect to apprenticeship. This particular motion simply allows the government, through amendment, to enable other exemptions from that process.

I would more than welcome the suggestions that my colleague Mr Caplan has made with respect to the Big Three letter that he and his leader referred to today. I would welcome them to table that with the committee because those are fairly significant pieces of information that quite frankly, as parliamentary assistant, I haven't seen. So I would welcome him tabling that so that we have the advantage of a discussion as we consider these amendments.

The Chair: Is that a formal request to have those letters tabled with the committee?

Mr Smith: It's as formal as you're going to get, yes.

The Chair: Very good.

Mr Caplan: I have a question for legislative counsel on this section. Part of the nature of trades is that you work in some of the different sectors. Say you're, just as an example, an electrician and you're working in the construction sector in an apprenticeship capacity, but the nature of the work changes and then you would be working in the automotive or the industrial sector for part of your apprenticeship. Which act would you be covered under if you're working in different sectors as part of your apprenticeship and training?

Mr Beecroft: The proposed government motion to section 20 lists electricians as one of the trades that will continue to be covered by the old act. The old act has the power to define trades by regulation; I assume there's a definition of "electrician" by regulation. If it meets that definition and you're an electrician, you're covered by the old act.

Mr Caplan: So if you're working outside the construction sector, if you're working in the industrial sector, you would be covered under the old act, or you would be covered under Bill 55?

Mr Beecroft: If you meet the definition of "electrician" under the old act, you're covered by the old act. It doesn't matter what sector you're working in, unless that definition makes it a part of the definition that you'd be in that sector. I don't know the details of the definitions.

Mr Caplan: My understanding is it relates to the nature of the work and what you do.

The Chair: Counsel, could you, for the record, just give your name?

Ms Kathryn McKenzie: I'm Kathryn McKenzie. I'm the director of the apprenticeship reform project. Just for clarification, when we are discussing the trade to which it applies and the trade that a person is working in, a person is registered in a trade, so when they're registered as an apprentice, they're registered into either the trade of industrial electrician or in the trade of construction and maintenance electrician. If they change employers and they're working in a different place, they don't switch from sector to sector. The construction electrician apprentice does not become an industrial electrician apprentice just by virtue of the place they work. It's the registered training agreement against the training program and the trade that applies. So it's the trade that's regulated by either Bill 55 or the TQAA, and the apprentice is registered against that trade. It depends on the definition of the trade and the program.

The Chair: With those explanations, we have before us this amendment adding a section. All those in support? Opposed? That's unanimous.

That concludes section 2.1. We're now at amendment number 15, government motion.

Mr Froese: I move that subsection 3(2) of the bill be amended by striking out "occupations and skill sets" wherever that expression occurs and substituting "trades, other occupations and skill sets."

It simply adds the term "trades."

The Chair: Any questions or comments? Seeing none, I'll call the question: All those in support? Opposed? I declare the motion carried.

Number 16.

Mr Caplan: This is a rather significant amendment to section 3 as it pertains to the director of apprenticeship.

I move that subsection 3(2) of the bill be amended by,

(a) striking out paragraphs 1, 2, 5 and 6; and

(b) striking out "occupations and skill sets" in the fourth and fifth lines of paragraph 4 and substituting "trades and other occupations."

The reason for this particular amendment is what I've been talking about previously, that the powers of the director of apprenticeship are absolutely broadsweeping. In fact, I'd like to quote for the members of the committee the words of the Toronto Board of Trade commenting on the powers of the director. They say:

"The director holds responsibility for defining skill sets related to occupations approving all forms of training. It is not evident from Bill 55 that appropriate input from industry, employers and employees will occur in these latter circumstances. By moving the control more into government, the board is concerned that the reformed system will be driven by the bureaucracy and not by the industry itself." Such a "move is inconsistent with a market-driven approach."

I'd like to quote again from the Toronto Board of Trade: "The director of apprenticeship" is "appointed under the Public Service Act. The director is accountable to the minister, not to relevant industries governed under Bill 55. The director holds immense responsibilities for the design, approval, execution and quality control of the

training standards. The reformed industry committees... are merely advisory on these functions, with no explicit control over...standards."

I'll quote the presentation from OEETA: "The language in this section is far too open-ended. It should be rewritten to provide for a clear delineation of what the director may do."

The director of education, as I think those two presenters — in fact, one was the government's own presenter here at this committee in Toronto. The powers of the director are far too broad, and "this move is inconsistent with a market-driven approach." The government's stated intention, the minister's stated intention was to give industry flexibility in determining what was appropriate for that particular sector. But what has the government done? They've placed these powers in the hands of a bureaucrat.

What this amendment will do is change the role of the director from an all-powerful, unaccountable bureaucrat — from a policy role to an administrative role. In later amendments, we're proposing that these policy decisions governing apprenticeship and training be driven by industry, as recommended by every provincial advisory council in Ontario, as recommended by the Toronto Board of Trade, as recommended to the government on numerous occasions, time and time again.

1550

We've left in sections 3 and 4, with a slight wording change to 4, that the director can issue guidelines. We think that's appropriate. We've also said that the director should work with other governments across Canada to ensure that there is a Canada-wide standard for occupations and trades. We have removed skill sets. We think this is a critical aspect of reforming apprenticeship and ensuring that what presenters said to this committee, what presenters said in the consultative process to this government for two years now, makes its way into legislation.

I am shocked that we have government members and a government which says it is interested in having a lesser role for government giving government bureaucrats a greater role, having more red tape, having more bureaucracy and a less industry- and market-driven approach as recommended. I know that all members of this committee, but particularly government members who hold those ideals very dear, will be supporting this particular amendment.

Mr Smith: I think perhaps my colleague across the way was presumptuous in assuming that members would be supporting this motion. I'm speaking against it very clearly. I acknowledge that during the consultations we heard about the concerns with respect to the powers granted to the director of apprenticeship. I think the member will see in amendments that the committee will be considering shortly, both in sections 3 and 4, that we've moved to recognize the need for industries to report directly to the minister. Certainly there are provisions as well that where those committees are established, those linkages are more clearly defined between the minister

and the committees versus the committees and the director. I think he will see that as we move through this process, we have made an effort to address those concerns.

I would say, though, to balance that argument, that in the context of this particular motion we feel that the director does need to have some flexibility to address day-to-day operational and administrative issues, and that by approving this particular motion, we would be placing the director in a difficult position to respond to those in a timely way. That is why we have presented alternative amendments with respect to the individual's powers and are not supportive of this particular motion.

The Chair: We have before us a Liberal motion. I'll call the question: All those in support? Opposed? I declare the motion defeated.

Motion number 17, a government motion.

Mr Froese: I move that paragraph 4 of subsection 3(2) of the bill be amended by striking out "uniformity in apprenticeship programs and in" in the second and third lines and substituting "the interprovincial standards program for apprenticeship and."

This amendment just signals Ontario's commitment to labour mobility through the red seal program.

Mr Caplan: We'll be supporting this amendment. We think it does give greater clarity and we have no particular difficulty with the wording. However, a word of caution: Just because you're going to go out and you want to do these things, presenter after presenter told this committee that the ability to harmonize and to participate in the national red seal program is imperilled because of the move towards skill sets.

No other jurisdiction in Canada, to my knowledge, has moved in this direction. I know that it has been banded about that perhaps Alberta has, but upon reflection I don't find that they have moved in this direction to this degree. In fact, internationally we can find no other jurisdictions, and the presenters, when asked, were not able to indicate that that was happening. So if you're moving to a system of blocks of skill that are going to be placed upon one another, how are you going to be able to have a national program to enforce and certify those kinds of skills when it's going to be so uneven? Obviously, you're not going to be able to do it. If, however, it was the judgment of this committee — so far it has not been, but I hold out hope that we will come to our senses and say that skill sets are not the way to go — then it would be possible, I believe, to live up to the wording of this particular amendment, which is participating in "the interprovincial standards program for apprenticeship" and for training.

This is really a key issue, the term "journey person." You have to be able to move from job to job. That's just the nature of the business. There does not tend to be a permanency in any one particular location, because the work is in different locations. One of the presenters said: "The harder we work, the faster we're out of a job," and they move on to the next job, and that may be in Toronto one day, in Sarnia the next day, in northern Ontario the next day and maybe across the Manitoba border. If you remove the ability for people to have mobility, you've in

essence killed the trade. That's why it is so critical to have an intact trade, an intact craft, that somebody is going to have complete knowledge and will have the ability to move from one locale to another.

I'd make one other point very clearly. We were in Ottawa — I think it's very well known to members of this committee and to the public in general, some of the difficulties they're having in labour mobility across the Ontario-Quebec border. It was the insurmountable opinion of contractors, employee groups and associations in eastern Ontario that the likely result of going into the skill set area was that Ontario contractors would not be able to find fully qualified tradespeople, so we would potentially have a flood of trained people from the province of Quebec move into eastern Ontario and take those jobs which Ontario residents, fully trained residents, mind you, should be able to do.

We already have a difficult situation now, and I know that successive governments have tried to deal with this with varying degrees of success, but Bill 55 will exacerbate that problem such that Ontarians are going to be at a disadvantage. This is not a matter to be taken lightly. I know that one of my colleagues from Prescott and Russell, Mr Jean-Marc Lalonde, has been tireless in working to ensure opportunities for his constituents, for people who live in his area. Unfortunately, because of Bill 55 this is not going to happen. In fact, his constituents are imperilled and the residents of eastern Ontario are as well.

I say again that we will be supporting the particular wording but do not believe, because of the move into skill sets, that the director of apprenticeship or anybody else will be able to ensure Ontario's participation in national and interprovincial standards programs.

Mr Lessard: I have a question with respect to how this applies to the red seal program and why it doesn't actually say that in this section. One of the things the government has done today is remove the definition of "occupation" that appears in section 2: "'occupation' includes a trade." That was the definition we removed. The change we're making here will now refer to occupations and skill sets; it's not going to include trades. I have a question for the parliamentary assistant or the legislative counsel as to what that section will mean if it will now apply to occupations, but "occupations" doesn't mean "trades."

The Chair: Would the parliamentary assistant like to respond?

Mr Smith: I think my colleague spoke to the intent and rationale for the introduction of the amendment, which is to strengthen the language of paragraph 2 of section 3(2). Very clearly, from the outset there were concerns expressed about the portability and transferability of skills. Not only have we attempted to strengthen the obligations required of the director with respect to the red seal program, but as well the relationships to other provincial jurisdictions in that regard.

1600

At the outset we've attempted to strengthen the functions to ensure that's appropriately considered. It's further mentioned again, if I recall correctly, in section 18 of the

bill, under the regulations, the powers with respect to providing the documents relevant to the trades. There's adequate protections provided in the legislation. In fact, it's reasonably comparable to the language that exists in the TQAA today.

In addition to that, as we've already dealt with, we've established a new definition for "certificate of qualification" which speaks to the whole trade. So if there are any concerns around the issues of skill sets versus the whole trade, by virtue of the amendments that we've presented today, those concerns have been remedied. This particular amendment is simply to build on the language that's in the bill and to give greater or improved comfort that there will be no fragmentation or disruption of the red seal program.

The Chair: Thank you, Mr Smith. Any further questions or comments? Seeing none, I'll call the question on amendment 17. All those in support?

Mr Lessard: I thought we were going to hear from legislative counsel. He appeared as though he wanted to respond.

Mr Gilchrist: The question has already been asked.

The Chair: For the sake of clarity, could you summarize or give us another view on the same subject.

Mr Beecroft: I think the question Mr Lessard was asking is, what has happened to the word "occupation" in paragraph 4, subsection 3(2)? If you look at page 15 of the motion package, there's a government motion that has already been carried that has changed the references to "occupations and skill sets" throughout subsection 3(2) to say "trades, other occupations and skill sets." That, for example, affects paragraph 1, 2, 4 and 5. Paragraph 4 has already been amended by the committee to refer at the end to "trades, other occupations and skill sets."

Mr Lessard: All right. Thank you.

The Chair: Thank you very much. With that, I'll call the question again: All those in support? It's carried.

We're now dealing with Liberal motion 18.

Mr Caplan: Thank you, Chair. I move that section 3 of the bill be amended by adding the following subsection:

"Consultation

"(2.1) The director shall not issue any guidelines under paragraph 3 of subsection (1) that apply to a trade or other occupation unless the director has consulted the committee established for that trade or occupation under section 4."

I think this is significant, that the director of apprenticeship is not required, when he or she issues any guidelines, to consult industry. This amendment will formalize in legislation and mandate that the issuance of guidelines for the purposes of this act — that industry is first consulted. We think that is significant if there is to be, as the Toronto Board of Trade put it, a market-driven, industry-driven apprenticeship and trade system.

It is again the concerns of having an appointed, unaccountable bureaucrat having almost absolute authority, without having to go out to the particular industry group which is being affected. We think that's not appropriate and that there should be mandated consultation with those particular groups. That's why this section is in here. I

think it's particularly worthwhile and I hope all members will support this amendment.

The Acting Chair (Peter Preston): Further discussion?

Mr Smith: I will speak in opposition to the motion. I think there's a bit of confusion, certainly around the operational side of establishing guidelines that the director would undertake, and guidelines that would be established by an industry or relevant to an industry committee. In that context, what we tried to do with a future amendment is to strengthen that relationship, if there is concern in that regard, through our next motion, whereby there would be a stronger reporting relationship between the industry committee and the minister versus the director of apprenticeship. If there is a concern that there would be arbitrary decision-making by the director of apprenticeship — and obviously I'm not suggesting this would happen — I think the next amendment we move will provide language that strengthens and removes any concern that might exist in that context.

I think there's some confusion about role and function there, and I respect Mr Caplan's motion but cannot support it. But certainly we have provided in the next amendment that strengthened relationship that I know he's hoping for between the minister and the industry committee.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Lost.

Motion 19, a government motion.

Mr Froese: I move that subsection 3(3) of the bill be struck out and the following substituted.

"Consideration of recommendations

"(3) If a committee established under section 4 makes recommendations to the minister relating to an apprenticeship program, the director shall consider the recommendations before approving the apprenticeship program under paragraph 1 of subsection (2).

"Collection of personal information

"(3.1) The director may collect personal information in accordance with the Freedom of Information and Protection of Privacy Act for the purposes of this act."

Part one of the motion ties to our later motion 21, which the parliamentary assistant alluded to, which removes the dual reporting relationship and replaces it with solely the minister. This motion requires that the director consider recommendations from the industry committee. Part two limits the ability of the director to collect information.

Mr Caplan: I think the parliamentary assistant or the government members may be a bit confused. The director considering recommendations before approving a program is quite a bit different than the previous amendment. Any recommendations made by an industry group are forwarded for consideration and are followed or not followed. There's nothing compelling the director to seek any advice or input from an industry group prior to issuing any guidelines. So I certainly differ with my colleague opposite, because my reading of this clause is entirely different. This particular clause is quite weak. It doesn't

really establish or help to formalize a relationship between the industry committee and the director of apprenticeship but I think only serves to confuse even more what the process is.

1610

I think that goes to the heart of the matter: Who ought to be the driver of apprenticeship and training in Ontario? Should it be the bureaucracy — very capable people, please don't misunderstand; I have no quarrel with that — or as a matter of philosophy, should it be industry driven? I certainly place my emphasis and my great faith in industry to decide what is in the best interests of their particular sector. While government bureaucrats may have very good intentions, they're certainly not involved directly with that sector on a day-to-day basis earning a living. So I will speak against this amendment and again voice my opinion for a strengthened role. As the consultation process for the past 18 months has borne out, industry after industry, sector after sector, has said that it should be industry driven, not bureaucracy driven. It is surprising that this government which says, on the one hand, that they wish to have a lesser role for government is in fact formalizing and giving government a greater role, and industry is getting a lesser role.

Mr Smith: Mr Chair, I'd simply add that this speaks directly to the issue that the member is speaking of in terms of involvement of bureaucracy. It effectively eliminates the dual reporting requirement, and so it's consistent with the government's intention to reduce the amount of bureaucracy involved in the administration of various programs. This motion, as my colleague indicated, effectively removes the director as a participant in that process, and is tied to subsequent amendments where the reference to the director of apprenticeship has been diminished as well. That being said, I would simply say that through this particular amendment we are attempting to strengthen the relationship between the industry committees — where, I agree with my colleague, the knowledge exists — to strengthen that relationship between those committees and the minister directly.

The Acting Chair: Shall the amendment carry? All in favour? All opposed? Carried.

Shall section 3, as amended, carry? All in favour? Opposed? Carried.

Section 4, government motion 20.

Mr Froese: I move that section 4 of the bill be amended by:

"(a) striking out 'occupation or group of occupations' wherever that expression occurs and substituting in each case 'trade, other occupation or group of trades or other occupations'; and

"(b) striking out 'occupational skills' in the second line of paragraph 4 of subsection 4(1) and substituting 'skills for trades and other occupations'".

This simply adds to the term "trades" as already has been mentioned in other parts, other amendments.

Mr Caplan: This merely gives lip service to trades. It's not particularly substantive, Mr Chair. I speak in opposition to this amendment.

The Acting Chair: Other discussion? Shall the amendment carry? All in favour? Carried.

Number 21, government motion.

Mr Froese: I move that paragraphs 1 and 2 of subsection 4(1) of the bill be struck out and the following substituted:

"1. To advise the minister with respect to apprenticeship programs and the qualifications required for trades, other occupations and skill sets;

"2. To develop and revise apprenticeship programs and to recommend them to the minister, including curricula, training standards, examinations and the persons and institutions that will provide training."

Again, this speaks to what has already been mentioned. It removes dual reporting to both the director and the minister and replaces it solely to the minister and, in our opinion, gives greater authority to the industry committees to make those recommendations.

Mr Caplan: It's very interesting. Section 4 of the bill says, "the minister may establish" these committees. They're not mandated, they don't have to be established. They do exist, they have existed and they do have certain roles. But there is not certainty for industry that these types of committees will exist. In fact, the role of these committees is an advisory type of committee. If you go through, they "advise the minister with respect to" programs and qualifications, trades, occupations and skill sets. The industry committees have said they want no part of skill sets, so I don't know why they would want to advise him on skill sets.

Again, to make recommendations to the minister regarding curricula, training, that's all very nice but there is nothing to compel the minister to form these industrial committees. This is all permissive. We think it should be greatly strengthened and the clause should be prescriptive. I would speak in opposition to this and recommend a later amendment.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Carried.

Mr Caplan: Opposed?

The Acting Chair: Number 22.

Mr Caplan: Opposed?

The Acting Chair: Pardon?

Mr Caplan: Can we do opposed as well?

The Acting Chair: Well, if you can't count four against three, sure. Opposed?

Mr Caplan: I just, you know —

The Acting Chair: Well, it's pretty easy. When you see a majority, it's carried, isn't it? I'll call opposed, if you want.

Mr Caplan: I'd appreciate that, Mr Chair.

The Acting Chair: All right, sir.

I lost my place. Where are we?

Mr Caplan: We're on number 22.

The Acting Chair: Thank you very much. Number 22, I've been advised. That's a Liberal motion. Carry on, sir.

Mr Caplan: I move that section 4 of the bill be struck out and the following substituted:

"Provincial Apprenticeship Committees

"4(1) The minister shall establish a committee for every trade or other occupation for which an apprenticeship program is to be established to perform the following functions:

"1. To develop, approve and revise the apprenticeship programs for the trade or other occupation, including curricula, training standards, examinations and the persons and institutions that will provide training.

"2. To approve other forms of training for the trade or other occupation.

"3. Subject to the Employment Standards Act, to establish and regulate wage rates for apprentices who work in the trade or other occupation.

"4. To establish and regulate apprentice to journey-person ratios for the trade or other occupation.

"5. To determine whether to establish and, if considered appropriate, to establish an academic standard higher than Grade 10 for the trade or other occupation.

"6. To establish the qualifications for certificates relating to the trade or other occupation.

"7. To advise the minister and the director with respect to the apprenticeship programs and the qualifications required for the trade or other occupation.

"8. To advise the minister whether the trade or other occupation should be designated as a certified trade or certified occupation.

"9. To promote high standards in the delivery of the apprenticeship programs for the trade or other occupation.

"10. To promote apprenticeship as a method of acquiring skills for the trade or other occupation.

"11. To consider recommendations from employers in the trade or other occupation and from apprentices and other persons who work in the trade or other occupation.

"12. To perform such other functions as may be assigned by the minister or the director.

"Composition

"(2) The minister shall appoint at least six people to each committee established under this section, made up of equal numbers of representatives of,

"(a) employers in the trade or other occupation; and

"(b) employees in the trade or other occupation.

"Term

"(3) A person appointed under subsection (2) to a committee established under this section shall be appointed for a term of one, two or three years, and having served a term shall not be reappointed for at least two years.

"Removal

"(4) A member of a committee established under this section may be removed from office only by a resolution approved by a majority of the other members of the committee and only if he or she has failed to fulfil his or her responsibilities as a member.

"Director

"(5) The director is also a member of each committee established under this section."

Mr Chair, this is one of the most significant parts of this act. As I said, Bill 55, as is, makes industry-driven committees permissive. The minister "may" establish

these committees for a particular purpose. Industry, employee groups, stakeholder groups have said — I believe even the language of the minister himself has said — how necessary and vital these particular committees are. If that is the case, why isn't it prescribed that the minister must appoint these provincial apprenticeship committees, as we call them? It is at the very heart and, again, one of the foundation principles of apprenticeship training that it be market and industry-driven.

1620

I point to a number of areas of authority for these provincial apprenticeship committees. They make determinations regarding many things in the current legislation but, in addition, about wage rates. Wage rates are critical, as we heard time and time again from participants at the public hearings: "It is wrong to eliminate wage requirements." "A commitment to decent wages will benefit the entire community." "The removal of such protection" — in relation to wages for apprentices — "will discourage, not encourage, people to enter an apprenticeship program." "The removal of current wage requirements is opposed in principle." "How can we attract more youth, women, people of colour, people with disabilities to the apprenticeship system when there is no regulative wage minimum?" "We support the idea of wages for employers being left to the employer." "Do not eliminate wage requirements for apprentices." Practically every presenter to this committee last week made a very strong deputation about that, and we're saying that industry should be able to regulate wage rates for apprentices who are in that industry.

In regard to journeyperson ratios, that again was an area of great concern and of considerable discussion. We believe it is appropriate for these industry-driven bodies to determine what's going to work for training systems in their particular industry, so the ratios of journeypersons to apprentices ought to be determined at an industry level.

We certainly believe in having a minimum academic requirement, but we believe that industry should be able to establish what that should be within their particular guidelines. As we've heard, there are particular sectors that have grade 12 or even higher as a minimum requirement. We think that if the industry decides that is appropriate for them, then that is an appropriate thing for the provincial apprenticeship committee to determine.

We also believe that the term for individuals on these committees should be in the legislation. If it is left up to government to decide unfettered who shall and who shall not be on these committees, it is conceivable that a particular government will clean out, if you will, a provincial apprenticeship committee, or in the current language, provincial advisory committee, to suit its own purposes. We don't think that is appropriate, and there should be some limitation on the ability of the minister to do that. Section 4 talks about removal of members. It shouldn't be totally discretionary to be able to do that; it should be the majority of other members of the committee who make that determination, if that determination is to be made.

If I might say, under Bill 55 we have seen an approach that empowers a government bureaucrat with broad and sweeping powers. My approach — the approach we heard from presenter after presenter through the consultative process that has gone on regarding apprenticeship reform — is that it ought to be industry driven. This is the main engine to put those words into action, to formalize that relationship. That's what each and every presenter told us. If the government has truly listened to its own advisors, to the provincial advisory committees, if they've listened to the presenters to this committee, then they will make the formation of these committees formal and prescriptive in a "shall" clause. They will give them the appropriate powers in areas to act. In a later section that will be coming up, we'll be talking about more formalized things as well. I hope all members will support not only the language of the minister but the intent of the minister as well, and support not only the language but the intent of the industries affected by Bill 55.

Mr Lessard: During the course of the presentations we received with respect to this bill, the government was hard-pressed to find people to come and express their support for this legislation. There were, however, a couple of exceptions to that, and it's interesting to note what they said with respect to the role and responsibility of the provincial committees. One of those in support generally of the legislation was the Ontario Chamber of Commerce, and it's important to keep in mind what they had to say.

They said the minister should be obliged to establish a committee for occupations and groups of occupations; there should be an industry committee for every apprenticeship stream; and committees should establish processes to monitor the environment, produce skill requirements and make recommendations for curriculum change on an ongoing basis.

So even the Ontario Chamber of Commerce says that there should be a requirement in the legislation that the minister establish committees. They didn't support the provision that said the minister "may" establish committees; they wanted to see stronger language than that.

The other group the minister refers to on a regular basis as being supportive of the direction Bill 55 is going in is the Labourers' International Union of North America. I want to note what they had to say about provincial advisory committees. They said, "We want to ensure that PACs have a greater role." They'd like to see beefed-up provisions for the PACs as well, and although they don't say they should be mandated, they do say they should have a greater role. I would submit from that, having a greater role, that they would expect that the minister would have to at least set up these committees, because if it's "may" and the minister has that discretion, it's not likely that these PACs will have a greater role if the minister doesn't even have to set them up.

A great many of the presenters who came before us made specific recommendations to section 4. Many of them supported the proposition that the legislation should state that the minister "shall" establish industry committees, and they went further and said that those

industry committees should be elevated from their advisory role and given an empowered role to administer the certification of trades. That was supported by well over a dozen presenters. I would have thought, considering the changes the government has suggested to this legislation, that at the very least they would have agreed to bring in some changes with respect to a stronger role for the PACs.

The Ontario Federation of Labour and CAW local 195 also said that PACs need to be established for all trades and mandated with more responsibility and authority. This amendment that has been presented satisfies the demands that have been made by almost — well, by each and every presenter, not almost. There wasn't anybody who said that the wording of the section saying "may" establish committees — there wasn't anybody who supported that provision in the legislation. Every single one of the presenters who came who had any comment about this section said that it should be mandatory and that it should give PACs more power. I fail to see why the government has ignored the unanimous suggestions of presenters with respect to this section. The amendment being proposed addresses the concerns of every single presenter who commented on the section. I fail to see why the government wouldn't support that amendment.

1630

Mr Smith: Thank you for the opportunity to speak to this.

I think this is a significant issue, and I would say at the outset that the government fully recognizes the role and, more so, the contribution that existing PACs make with respect to their respective skilled trade areas. This particular amendment that Mr Caplan has proposed certainly, in our opinion, confers additional powers which are extensive. Certainly in that context there do not appear to be any accountability measures or legal liability measures that have been addressed within the amendment itself.

It's important to realize, while we recognize the role of the PACs, that the government has responded to the issue of increased PAC involvement not only through the more direct reporting relationship that I spoke of previously, directly to the minister, but I think as the committee considers amendments that are proposed in section 18, we will see examples whereby provisions are being proposed that would enable the director of apprenticeship to effectively delegate powers outside of government towards industry self-management. That's a strong indication of the relevance of what we've heard to date in terms of that process.

I would say as well to the committee that it's important to realize that, while there are some groups that are anxious to move to a higher degree of involvement or decision-making, during the period 1990-95 when the NDP were in government, a number of these committees sat dormant. For us to pursue an amendment that effectively provides an increased degree of decision-making when some groups have not been meeting whatsoever and are still very much in a formative stage as an organization is not responsible.

We recognize that there are groups within the skilled trades sector that are significantly advanced. It's not that we wish to limit their ability to grow as organizations. Certainly already, through amendments proposed and others to be considered, we are recognizing the opportunity to move and delegate powers outside of the act directly to the industry itself. Nothing prohibits the provincial advisory committees from establishing guidelines for consideration. It's in that context that the government has listened and heard the message with respect to where provincial advisory committees want to go in the future.

Mr Caplan: It's very interesting listening to the parliamentary assistant. It'll be the director of apprenticeship who will decide what the industry's role will be. In my opinion, it really should be the opposite. That's what lies at the heart of this: Either you believe it's the director of apprenticeship, the government bureaucracy, who should be making the decisions about what's appropriate for a particular industry or you believe industry has the ability, the know-how, the stake in it.

I must admit that I am shocked to hear the comment of the parliamentary assistant in this regard. I would have expected to hear this from the NDP, quite frankly; I would not have expected to hear this from this particular government, given the language in the bill.

Look at the language of the presenters the government chose to come and present to us. For example: "The bill essentially eliminates the provincial advisory committees. We expect these new advisory bodies to function with stronger input roles from employers than the previous PACs, not less." That's the Toronto Board of Trade. Even LIUNA was talking about wanting to ensure they have a greater role, not a diminished one: "The legislation should state that the minister 'shall' establish industry committees."

Every presenter from every group commented on it. Again, "This section should be amended to require the establishment of separate trade or occupation committees, sectoral committees...and the minister 'shall' establish PACs or industry committees."

This was such a constant comment. That there is no accountability mechanism, certainly I would look for any suggestion or any leadership from the government or from others to build that in. I believe they cannot act unilaterally. The minister is the only one who can do that, so there are certainly accountability aspects in this particular regard.

I would really urge all members to take a look at what this particular amendment does, because it's a matter of philosophy. Either this is bureaucratically driven or it's industry driven, one or the other. You can't have it both ways. If you believe that industry should be the driver of apprenticeship training in Ontario, then you'll pass this amendment; if you don't, if you believe the bureaucracy should decide, then you'll leave it as is, plain and simple.

Mr Smith: Just very briefly, I would say to my colleague that I know once he reflects upon the proposed amendments in section 18 he will see that there are LGIC regulation-making powers, which obviously require the

approval of cabinet, which would prohibit the arbitrary decision of the director of apprenticeship from pursuing the issue. I know when he reviews that he will have some degree of comfort with respect to that approvals process.

I think, again, we've recognized the reporting relationship between minister and committee. We recognize there are inconsistencies at present between different PACs within our skilled trades sectors. This particular amendment would, for some, probably address their issues of concern, but for others, quite frankly, I think we've placed them in a very detrimental position in terms of where they need to be in the future.

Mr Lessard: I just want to respond to the comments made by the parliamentary assistant. He is critical of this amendment because he says that it doesn't have any enforcement mechanisms in it. But one of the concerns that we had raised constantly by presenters before our committee hearings is that there weren't any enforcement mechanisms that were in place at the present time. Even though they might be included in the legislation, there weren't any people there who were actually doing the enforcement work. That's the reason this section is being put forward, because provincial advisory committees think they can play a role in the enforcement process. To say there's no accountability here really ignores the concerns that were raised before the committee.

The parliamentary assistant refers as well to the proposed amendments to section 18 and somehow thinks that will give us some comfort, but those proposals say that the minister may make regulations governing committees established under section 4, this section we're dealing with, and they want to add the words "including giving committees greater powers." That doesn't give me a whole lot of comfort, because once again —

Mr Caplan: "Trust me."

Mr Lessard: Yes, it says, "Trust me," once again. Not only does section 4 say the minister "may" establish the committees, but the amendment here says that he "may" make regulations giving committees greater powers. First of all, it doesn't ensure that these committees will ever be established, and second, it doesn't ensure that the minister will give them any greater powers, because that's completely at the discretion of the minister and cabinet.

Even though all of us would like to think it's the minister who's actually the one who is going to be drafting all of these regulations and determining the administration of the process, we know that it's the director who is going to be making the recommendations to the government and they're going to be the ones who will be controlling this process. As has been pointed out, it's going to be a bureaucratic process, it's not going to be an industry-driven process, and unless this legislation has some teeth in it, that is not going to change.

The Acting Chair: Question: Shall the amendment carry? All in favour? Opposed? Lost.

Shall section 4, as amended, carry? All in favour? Opposed? Carried.

Section 4.1, number 23, a Liberal motion.

1640

Mr Caplan: I move that the bill be amended by adding the following section:

"Sectoral Advisory Committees

"4.1(1) The minister shall establish a committee for each industrial or occupational sector to advise the minister on the following matters:

"1. Enforcement.

"2. New trades and occupations.

"3. Linkages to secondary schools.

"4. Funding.

"5. Youth apprenticeships.

"6. Setting minimum standards where there is industry consensus.

"7. Promotion of national and international standards.

"Composition

"(2) A committee established under this section for an industrial or occupational sector shall consist of two people, one of whom is a representative of employers and one of whom is a representative of employees, appointed by the minister from each committee established under section 4 for trades and other occupations within the sector.

"Same

"(3) The director is also a member of each committee established under this section."

This particular amendment is quite significant. In fact, it reflects the comments we heard from presenters earlier. The Ontario Construction Secretariat, for example, said that sectoral advisory councils should be designated in legislation, with a different function from the PACs, and that councils "would have representation from all...PACs and would give advice on enforcement, new trades, linkages to secondary schools, funding allocations, youth apprenticeships, the setting of minimum standards where there is industry consensus, promotion of the red seal program, and national standards."

There were others who called specifically for these types of sectoral councils, and there are only four; there are four sectors involved. These are specifically the kinds of questions they could advise the minister on, about enforcement, about new and emerging trades. That was one of the concerns that came up and was used as a rationale for, "Why Bill 55?" and it was, "To promote the establishment of new trade areas." Who better to advise the minister than people who are already working within the sector, employers and employees alike? It makes eminent good sense to have a structure, a body, that can, on an umbrella basis, give the minister advice on all of these different kinds of areas.

In fact, promotion of national and international standards is an interesting one. I've not been a party to any of those discussions, but I'm told that they are painstaking exercises, that to get agreement among various groups and parties around Canada is a tremendous undertaking. A group like this would be incredibly beneficial to a minister or to a government in promoting and in fact having those national standards, and international standards as well.

This is a group that would speak with enormous credibility.

We believe as well that there is a role for the director of apprenticeship as a good administrator of the apprenticeship system — I believe that should be the role — not as a policy-maker. Policy should come from those who are directly affected, enacted by the appropriate authority through the minister. But the policy role and the administrative role are separated. It is, again, industry which ought to be the driver; it is not the bureaucracy which should be doing this.

So I would ask all members of this committee for their support in this particular amendment and in this addition to the section on industry committees.

Mr Froese: I'll speak against the motion, and government members will be voting against the motion as well, because the bill already allows for sectoral committees, and in those committees they can address the concerns you speak of. It's already established in the bill.

The Acting Chair: Further discussion? Shall section 4.1 carry? All in favour? Opposed? Lost.

Section 5, number 24, government motion.

Mr Froese: I move that subsection 5(1) of the bill be amended by striking out "an occupation or skill set" in the fourth and fifth lines and substituting "a trade, other occupation or skill set."

This is a simple amendment and adds the term "trade."

Mr Caplan: I would commend to the members of the committee the experience that was touched upon during committee hearings, where individuals entered into a training agreement or what they thought was an agreement with de Havilland, through two particular community colleges in Ontario. They paid, I believe, something in the order of \$5,000. They believed that there was a job waiting for them at the end, that they would be trained in a particular skill set area.

This type of training was very specific. It was to hang wings or something on airplanes. It turned out that less than 10% of the people who entered this particular program received employment. It also follows that after nine months, these individuals who were hired were all laid off.

The interesting thing is, because they were only trained in this particular skill set, there is nowhere else they can work. They're not trained in the full range of skills, in the full range of abilities in the whole trade to be able to get work in any other part of the sector. They're aerospace workers, but only for a fraction of the aerospace industry.

This is what happens when you have training agreements with poor skill sets. These people will go and get their training just for that area alone, and now they will have a job, or not, but only for a brief period of time. The industry changes, the cycle of business changes. They will be laid off, they will not have work and they will not be able to use the training they've received to get another job, because their specific training is tied to one particular occupation, one particular skill, one particular duty, and that's it.

Is this what we're going to consign young people in the province of Ontario to, having the ability to get training in only one particular area? Once that area falls through for them, they'll have no job, and no prospect for a job either. That is a very sorry state of affairs. I would recommend to the committee that this section not pass.

Mr Lessard: I just want to follow up from where the member for Oriole started. Even though persons may end up having received some training and may not end up with a long-term job as a result, there's one thing that's certain. Pursuant to subsection 5(1), the government is going to get their fees for the registration of the agreement.

That's one of the concerns that I have about this section. This is another fee that is going to be imposed by this government, a government that prides itself on saying that it's going to reduce taxes, but the reduction of taxes is only beneficial to a few, and it means user fees and increased charges for a lot of other people.

That's what this section is all about. It's about the payment of fees for the registration of training agreements. They've removed the requirement that these training agreements be of a two-year duration, so they may be for a few weeks, a couple of months. They're going to be training for some small, particular skill set that may or may not lead to long-term employment.

1650

Because of the elimination of the wage protections, it's probably going to be at minimum wage, or who knows? It might be less than minimum wage because we still haven't got a satisfactory answer as to whether the provisions of the Employment Standards Act are going to apply to everyone who enters into these workplace-based training agreements for a skill set. Because of that, those persons who are going to be required to pay these fees are not going to be in a position where they may be able to in all cases. That is going to be a disincentive for people to try and upgrade their training or obtain training in a particular occupation or trade or skill set. I don't think the government amendment deals with those concerns in the least.

I'm concerned about the quality of the training that persons who enter into these training agreements will receive. The level of the fees and the possibility of paying tuition fees is going to be a disincentive for persons to seek this sort of training. I think for those people who feel as though, for whatever reason, they may have some possibility of having a job at the end, if they may be misled in that regard, they may not end up with a job at the end, they may not end up with a job that pays a decent wage. But the one thing that's certain is that the government will make sure they get their fees.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Carried.

Number 25, Liberal motion.

Mr Caplan: I move that subsection 5(1) of the bill be struck out and the following substituted:

"Registration of training agreements

"(1) On application, the director may register an agreement under which an individual is employed in an employer-employee relationship and is to receive work-

place-based training in a trade or other occupation as part of an apprenticeship program approved under section 4.”

This is quite a bit different than the current section because there is a job. A person is employed. There is an employer-employee relationship. There is a reason for that person to be in apprenticeship and training because there is the prospect of a job waiting for them. That is critical.

There is the formalized role, as I see it, where the provincial advisory committee has approved an apprenticeship program and that will be a part of it; there is an industry tie-in as well.

By the way, the skill set provisions have been removed, just for your information. I hope this will pass.

Mr Froese: I’ll speak against the motion. It’s similar to the Liberal motion in 4, which was defeated. It really, in our opinion, doesn’t allow for local apprenticeship committees or aboriginal trainees or women trainees. It’s far too limited in scope, and that’s why we’ll be voting against the motion.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Lost.

Number 26, Liberal motion.

Mr Caplan: I move that section 5 of the bill be amended by adding the following subsection:

“Minimum academic qualifications

“(3) An agreement shall not be registered unless the individual who is to receive the training has successfully completed,

“(a) grade 10, if no higher academic standard has been established for the trade or other occupation under section 4; or

“(b) such other academic standard as has been established for the trade or other occupation under section 4.”

This section establishes a minimum standard. In fact, in many industries that standard has been raised. Some have grade 12, some have higher. I think that’s appropriate if industry and the provincial advisory committee determine that is what should happen. But I think there is a role for government to say there ought to be a minimum standard, and that’s what the establishment of this does.

As well, it again highlights the establishment of a trade or other occupation. It also removes the language of skill sets from this particular area. If you’re a person in secondary school, if you have, for whatever reason, left for the prospect of employment or further training, it is critical that there be some long-term opportunities for you. It’s critical that you not be placed in a dead end. It’s of the utmost importance that people have the opportunity to enter something which is going to give them some mobility.

Providing skill sets to high school dropouts, as is being proposed under Bill 55, as it is by the current government, will place these people in an impossible situation. They will not have the academic background and now their further training will not allow them to be able to find long-term employment.

I would add one other thing. When that happens, when somebody loses their job or is in a dead-end job because of this move into skill sets, the temptation will be for

individuals to potentially pass themselves off as fully trained, skilled tradespeople to the public. How is the public to know what their qualifications are? How is the public to know what their capabilities are if they’ve only been trained in certain subsets of a trade?

As well, I think there is a matter of some consumer protection for having people trained in a full-trade area, not only giving the individual some long-term prospects but giving the public some guarantee that the kind of work they’re going to receive is from someone who has full qualifications.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Lost.

Number 27, government motion.

Mr Froese: I move that section 5 of the bill be amended by adding the following subsection:

“Academic qualifications

“(3) An agreement shall not be registered unless the individual who is to receive the training,

“(a) has successfully completed the academic standard prescribed by the regulations for the trade, other occupation or skill set; or

“(b) if no academic standard has been prescribed by the regulations for the trade, other occupation or skill set, has successfully completed grade 12 in Ontario or has successfully completed an academic standard that the director considers equivalent to Ontario grade 12.”

This amendment addresses the concerns that we heard from most of the presenters at the public hearings, and probably all of them. It increases the educational entry requirement to grade 12, but it also allows flexibility in changing that in regulation, either up or down. It also allows for the recognition of an equivalency for individuals, and it takes away the barriers for older workers or new Canadians. We will obviously be voting in favour.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Carried.

Shall section 5, as amended, carry? All in favour? Opposed? Carried.

Shall section 6 — say that three times fast — as amended, carry? All in favour? Opposed? Carried.

Section 7, number 28, Liberal motion.

1700

Mr Caplan: I move that section 7 of the bill be amended by striking out “approved by the director” in the third line and substituting “approved under section 4.”

“Under section 4” refers to the PACs. For everybody who completes an apprenticeship program, the director will confirm successful completion of that program, but it should be the industry that determines what is an approved program. Again, we’re saying this should be industry-driven and is in line with the other language we have proposed to this committee.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Lost.

Shall section 7 carry? All in favour? Opposed? Carried.

Number 29, a Liberal motion.

Mr Caplan: I move that section 8 of the bill be struck out and the following substituted:

“Certificates

“8(1) On application and on payment of the required fee, the director may issue a certificate for a trade or other occupation to a person who meets the qualifications established for the certificate under section 4.

“Equivalent qualifications

“(2) On application and on payment of the required fee, the director may issue a certificate for a trade or other occupation to a person who has qualifications that the director considers equivalent to the qualifications required by subsection (1).”

Again, we’ve changed the language “occupation or skill set” to “trade or other occupation.” I want to again emphasize how important it is — if, by the way, the director’s going to be approving other programs that are equivalent, how that will work and how that will mesh with skill sets is confusing and unclear. It should be the whole trade area. It should not be broken up into bits and chunks. That’s one of the greatest flaws in this in regards to skill sets.

Mr Froese: We will be voting against the motion. This amendment is requiring that the industry committees would have approval for certification of skill sets. We can’t have that; provincial certificates are approved by the province. We’ll be voting against it.

Mr Caplan: If I may, I’d like to allow the parliamentary assistant to correct his statement. It doesn’t give approval power to the provincial advisory council, it gives it to the director, but the advisory council establishes the criteria under which approval is granted. It says very clearly, “who meets the qualifications established for the certificate under section 4,” and earlier it says, “the director may issue.” I’d like to give the parliamentary assistant an opportunity to correct the record.

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Lost.

Number 30, a government motion.

Mr Froese: I move that section 8 of bill be struck out and the following substituted:

“Certificates

“8(1) On application and on payment of the required fee, the director may issue,

(a) a certificate of qualification for a trade or other occupation; or

(b) a certificate, other than a certificate of qualification, for a skill set.

“Qualifications

“(2) A certificate may be issued under subsection (1) only to a person who,

(a) has successfully completed an apprenticeship program approved by the director for the trade, other occupation or skill set; and

(b) achieves a grade satisfactory to the director on an examination approved by the director.

“Same

“(3) Clause (2)(b) does not apply to a trade, other occupation or skill set if the director is of the opinion that

no examination is necessary for that trade, other occupation or skill set.

“Equivalent qualifications

“(4) Despite subsection (2), the director may issue a certificate if the person,

(a) has qualifications that the director considers equivalent to the qualifications required by clause (2)(a); and

(b) achieves a grade satisfactory to the director on an examination approved by the director.

“Same

“(5) Clause (4)(b) does not apply to a trade, other occupation or skill set if the director is of the opinion that no examination is necessary for that trade, other occupation or skill set.”

The Acting Chair: Further discussion? Shall the amendment carry? All in favour? Opposed? Carried.

Shall section 8, as amended, carry? All in favour? Opposed? Section 8 is carried, as amended.

Number 31, section 9, a Liberal motion.

Mr Sergio: I move that subsection 9(1) of the bill be amended by striking out “for an occupation or for a skill set” in the third and fourth lines and substituting “for a trade or other occupation.”

This is a brief amendment and it’s very clear in its intent. It’s to specify “occupation or for a skill set,” and makes “trade or other occupation” much clearer in this particular section.

The Chair: Any other questions or comments? There being none, I’ll call the question.

All those in support? Opposed? Defeated.

Government motion 32, moved by Mr Froese.

Mr Froese: I move that subsection 9(1) of the bill be amended by striking out “for an occupation or for a skill set” in the third and fourth lines and substituting “for a trade or other occupation or for a skill set.” Again, this simply adds the term “trade.”

The Chair: Any further questions and comments? There being none, I’ll call the question.

All those in support? It’s carried.

Shall section 9, as amended, carry? Carried.

Liberal motion 33, Mr Sergio.

Mr Sergio: I move that subsection 10(1) of the bill be amended by striking out “occupation or skill set” wherever that expression occurs and substituting in each case “trade or other occupation.”

We have already commented on the same intent of these words “trade or other occupation,” and I don’t think it deserves any further explanation.

The Chair: Any further comments? There being none, I’ll call the question.

All those in support? Opposed? Defeated.

Government motion 34, Mr Froese.

Mr Froese: I move that subsection 10(1) of the bill be amended by striking out “occupation or skill set” wherever that expression occurs and substituting in each case “trade, other occupation or skill set.”

It simply adds the term “trade.”

1710

The Chair: Any comments or questions? There being none, I'll call the question.

All those in support? It's carried.

Shall section 10, as amended, carry? Carried.

Mr Caplan: Mr Chair, do we get a chance to oppose?

The Chair: "Carried" is what I heard, so it's carried.

Mr Gilchrist: If you don't say "no," it's carried, just like in the House.

The Chair: I'm following the orders here, if I can.

Government motion 35, Mr Froese.

Mr Froese: I move that section 11 of the bill be amended by striking out "an occupation" wherever that expression occurs and substituting in each case "a trade or other occupation."

It simply adds the word "trade."

The Chair: Any questions or comments?

Mr Caplan: Restricted skill sets form much of the basis for this legislation. I can't express more fully how presenter after presenter, industry representatives, employer representatives talked about restricted skill sets. In fact, it's interesting: This is where our greatest objection lies.

"With the introduction of skill sets to the trades, mobility for our tradespeople and apprentices through the red seal program will be eliminated. We cannot possibly qualify within the criteria needed for the red seal certification. Compulsory certification for the entire trade, not parts of a trade, would guarantee this mobility."

Again: "We are most concerned about Bill 55's intention to replace compulsory trades with restricted skill set designations. Compulsory trades, of which there are currently 19, have developed to ensure worker and consumer safety, as well as high standards of performance. Bill 55 will take a certified trades approach and turn it into a cafeteria of skill sets and parts of jobs. The skill sets concept will make it impossible to manage human resources."

Again and again, presenter after presenter: "We are opposed to redefining specific trades into skill sets." "Employers want a cheap, just-in-time workforce." "Real training, as opposed to just cheap labour, is expensive." "We need to greatly expand the number of regulated trades. We need enhanced, not weakened, standards, and the resources and supports to enforce them." "Eliminating compulsory certification will jeopardize the safety of workers." "The whole system will be fragmented. Workers will be working with others who do not understand the whole job. By lowering standards, you're putting the lives of workers at risk." "We are opposed to the elimination of compulsory certification." "When skills are broken down into simplistic fragments, tradespeople lose the chance to learn a whole trade. This will result in lower wages, lower standards and no opportunity for advancement."

This was an interesting concept that one of the presenters talked about. A foreman often has to have detailed knowledge about all those particular areas and has to know how to supervise all the different areas. If you

have workers who have these skill sets who are working on parts of jobs, what opportunity do they have for advancement to be foremen, to have a supervisory role, if they don't know the complete area they're going to be supervising? This has to be a concern, because in 10 years, 15 years, when the current cadre of supervisory people leaves, as all do — there is certainly a demographic and it progresses up the line — who's going to come and take their place to become the supervisory people in a particular workplace site?

"In fact, the idea of restricted skill sets runs counter to our industry's apprenticeship and trade philosophy. We embrace the notion of a whole trade, realizing that separate skills must work in concert to effect the total structure."

Again and again, the whole notion of skill sets has been rejected. I find it unfortunate that the government is continuing to pursue this folly.

Mr Lessard: We reject the whole concept of restricted skill sets as they appear in this legislation. The criticism we heard with respect to this concept at the public hearings was consistent with that objection as well. In fact, when I've looked through the legislative research service's summary of the recommendations that were made as a result of our hearings, I see there's only one group that supported the section referring to restricted skill sets, and that was the Ontario Chamber of Commerce. They were the only ones who came before our committee to express their agreement with that. Even LIUNA, the labourers, said there needs to be valid and sincere consultation on this issue to ensure that the best compulsory certified trades will be continued.

The best summary was from the Machinists and Aerospace Workers who said "Employers want cheap, just-in-time workers. Real training, as opposed to cheap labour, is expensive. We need to greatly expand the number of regulated trades. We need enhanced, not weakened, standards, and resources to support and enforce them."

To me, that really embodies the criticism that we have of this whole concept of restricted skill sets, because that's not the sort of future I want to see for my six-year-old son. I don't think we should be moving to a cheap, just-in-time workforce. I agree that we should be expanding the trades that require compulsory certification, not trying to eliminate them, not trying to water them down, and that the elimination of compulsory certification is the wrong way to go.

The way it's set up in this bill, there are going to be two types of trainees: those who are going to be journeypersons and those who are going to be jacks of all skills, persons who may be able to call themselves qualified in some particular area. We really have some concerns about what sorts of skills they're going to end up with. I think the public has an interest in those skill levels as well, because they may be exposing themselves to situations that they don't anticipate, if there are faulty installations of electrical work, for example, or products that are manufactured as a result of machinery that may

not have been properly installed by persons who might have what is being referred to as these restricted skill sets.

This idea of restricted skill sets runs counter to our party's philosophy. We believe we should be embracing the notion of whole trades and realizing that separate skill sets must work in concert, in a package, that we need to have well-rounded and well-educated skilled tradespersons. We shouldn't be moving towards a situation where we have people who may have skills that are needed today but may not be needed tomorrow, and where we have people with limited ability to move from one job to another because the only skill they have is very limited in nature and they don't have the educational background or the transferable skills that will give them the opportunity to move between employers or between jobs because they're just not qualified to do that.

I think this is absolutely the wrong way to go. As long as this concept is going to be pursued as part of Bill 55, we're not going to be supporting this legislation.

1720

The Chair: I'll call the question on this motion. All those in support? Opposed? Carried.

Liberal motion 36.

Mr Caplan: Thank you, Mr Chair. I move that section 11 of the bill be struck out and the following substituted:

"Certified Trades and Certified Occupations

"Certified trades and certified occupations

"11(1) The Lieutenant Governor in Council may designate any trade or other occupation as a certified trade or certified occupation for the purposes of this act, and may provide for separate branches or classifications within the trade or other occupation.

"Persons who may work in a certified trade or occupation

"(2) No person, other than an apprentice or a person of a class that is exempt from this section or a person referred to in subsection (4), shall work or be employed in a certified trade or certified occupation unless he or she holds a subsisting certificate for the trade or occupation.

"Persons who may be employed in a certified trade or occupation

"(3) No person shall employ any person, other than an apprentice or a person of a class that is exempt from this section or a person referred to in subsection (4), in a certified trade or certified occupation unless the person employed holds a subsisting certificate for the trade or occupation.

"Qualification of those in the trade or occupation at time of designation

"(4) When a trade or other occupation is certified under subsection (1), a person who is working in the trade or occupation at the time that it is certified shall be allowed a period of two years from the first day of the month following the month in which the trade or occupation is certified to qualify for a certificate for the trade or occupation, if the person,

"(a) is an apprentice in the trade or occupation;

"(b) satisfies the committee established for the trade or occupation under section 4 that he or she has been contin-

uously engaged as a journeyman in the trade or occupation for a period of time in excess of the apprenticeship period for the trade or occupation; or

"(c) satisfies the committee established for the trade or occupation under section 4 that he or she is qualified to work in the trade or occupation and meets such other requirements as the committee may prescribe."

This section may be familiar to members of this committee. It is a slightly modified section of the Trades Qualification and Apprenticeship Act, section 10, the current piece of legislation. We have taken it and inserted it into this. In fact, the government in an earlier amendment agrees with us that this is an appropriate section because they have exempted 40% of people who are involved in a particular trade by making the Trades Qualification and Apprenticeship Act the law governing apprenticeship for the construction sector. If it is good for that sector, I would think that members of this committee would want to say that they would support it for all of the other sectors as well.

I find it passing strange that the government and the minister have said that there is this great need to change the entire system of apprenticeship when this section obviously is good enough for the government and the minister to support, because that's what they've done in their amendment. They've said that the Trades Qualification and Apprenticeship Act will govern the construction sector.

I think that's appropriate; in fact, I think it's appropriate for all the sectors. That's why it appears here. I recall that one of the presenters said, during their presentation, that it seems that everything old is new again. I guess that's the case here. We have the Minister of Education, we have the members of the government saying: "How awful it is that we have an act from 1964 that's the current act today. We need to change that." Today they bring forth amendments and say: "That's good enough. That's fine. We should retain that." Why not retain it? We supported that when that amendment was brought forward. We support it again in replacing the whole notion of restricted skill sets with certified trades and certified occupations. That ought to be as well, as we put in here, "as established under section 4," which is through the provincial advisory committees. They'll determine the criteria. It will be an industry-driven process.

Again, it is a very important principle that you have certified trades and certified occupations; that you have the removal or the elimination of this whole notion of restricted skill sets; that, by the government's own admission, what served very well will continue to serve us well; and that we can continue to build on many of the strengths that we have.

The Chair: Any other questions or comments? Seeing none, I'll call the question. All those in support? Opposed? Defeated.

Shall section 11 carry? All those in favour? Opposed? Carried. No, pardon me, it's defeated.

Mr Caplan: I think the Chair said that it was defeated.

The Chair: Section 11 carries. My mistake; I apologize for that.

Liberal submission 37. It's actually not a motion. Is there any debate on that?

Mr Caplan: We were advised by legislative counsel that the way to amend this particular section was to recommend to the committee to vote against it. That's why it appears here.

Mr Gilchrist: There's no reason to put anything in there.

Mr Caplan: I take my lead from legislative counsel; we submitted this through. I thank the member for his advice. I know he has an awful lot to say about an awful lot of subjects.

Mr Lessard: It's interesting to see that there's one section of this legislation that the Liberals recommend voting against.

The Chair: Shall section 12 carry? Support? Opposed? It's carried.

Shall section 13 carry? Carried.

Shall section 14 carry? All those in support of section 14? Opposed? Carried.

Shall section 15 carry? All those in support? Opposed? Carried.

Shall section 16 carry? All those in support? Opposed? Carried.

Liberal motion 38.

Mr Caplan: I move that section 17 of the bill be amended by adding the following subsection:

"No fees charged to apprentices

"(2) Despite subsection (1),

"(a) no fee may be charged for the registration of an agreement under section 5; and

"(b) no fee may be charged to an apprentice."

I would like to echo the comment of a number of the presenters we had in our committee.

"If the government introduces tuition fees while eliminating minimum wage requirements, candidates previously interested in apprenticeship will be discouraged. Huge education debt loads will limit access. This is more problematic for adult learners. Government should consider tuition free incentives for these people."

LIUNA, one of the government's requested presenters, and people who were supporting the bill: "We oppose hikes in tuition whether it be public education, post-secondary education or apprenticeship."

CAW: "Imposing tuition will have a negative impact on the entire system as we have to remember the average age of an apprentice is 26, which is not kids at home but people with mortgages to pay and families to support. Introduction of user fees in the forms of administrative fees will act as a further disincentive."

"While tuition fees are not specifically mentioned in the bill, we are nevertheless concerned that students will have to pay for their apprenticeship."

"Imposing tuition and user fees will discourage people from entering apprenticeship whatever their age."

1730

I recall the Queen's Alma Mater Society, two young men who spoke with detailed knowledge of this government's tuition policies, with their policy of imposing enormous debt levels on students with their actions over the past three and a half years in the post-secondary area. They said:

"We are very concerned about this section. What this translates into for apprenticeship applicants is a tuition fee. What should be of great concern to this committee is the complete lack of clarity in this bill and from the government on what tuition levels will be. Will tuition be differentiated depending on the skills that the applicants are studying? An even larger question is left unanswered: What percentage of a person's education cost is he or she responsible for? While Bill 55 promises to introduce tuition fees" — that is a mistake actually; it's not actually directly mentioned in the bill — "to the apprenticeship system, it says absolutely nothing about creating a student aid program."

Again, OSSTF, CAW and many others: "We're opposed to tuition fees."

La Cité collégiale: "This approach could diminish access to apprenticeship. Making students pay tuition while they work imposes severe financial pressures."

I could go on and on. Toronto Board of Trade: "The question of grants and loans needs to be revisited. The existing discussion fails to take into consideration the circumstances of the majority of apprentices in Ontario."

It's absolutely remarkable what this government's record is when it comes to tuition hikes, when it comes to debt load, when it comes to student assistance to post-secondary students in university and community colleges. What the intention is for post-secondary students going into the apprenticeship area — I think apprentices should be quite fearful, given the track record of Mr Harris, of Education Minister Johnson, in imposing these heavy burdens on students, on learners, in the province of Ontario.

Presenter after presenter quite clearly told this committee that tuition will act as a disincentive. If you are looking to find a way to double the number of apprentices, as is the government's stated intention, then tuition runs totally contrary to what the government has said it wants to do. In fact, if you just review what is happening in other places in Canada, the government is going with the vast minority of other provinces where this is not the case.

I would urge the committee members, I would urge the government to seriously take into consideration and to support this particular amendment, which will not pass on a hardship to apprentices, which will help to encourage young people and older workers getting into something which will be quite worthwhile. I hope this will pass.

Mr Lessard: When we were in Ottawa last week, Mr Caplan and his Liberal colleagues had an opportunity to walk down the street to the House of Commons to see whether they could get that \$40 million of employment insurance funds for training that are going to be removed from the province of Ontario some time next year. I don't

think they were successful, if in fact they did take that walk down the street.

Part of the reason the government is implementing those changes in section 17 with respect to fees is to address that withdrawal of employment insurance funding. Faced with that, they have to figure out where they're going to get the money. One place where they're going to do that is by charging apprentices tuition fees, even though the parliamentary assistant said on numerous occasions that the bill doesn't say anything about charging tuition fees and that the minister is not going to entertain consideration of charging tuition fees until such time as he has an agreement negotiated with the federal government. I hope those negotiations will result in an agreement fairly soon, and that means that in fact apprentices are going to be faced with tuition fees.

That is part of the crux of our disagreement with the philosophy of this government's approach to apprenticeship training, because it is placing the burden of training on to young people, on to students, on to apprentices, and it's not putting that burden upon employers, who have a great deal to benefit from in knowing that they're going to have a well-skilled workforce to ensure their economic viability.

I've been asking since we began on this undertaking how it is that forcing apprentices to pay tuition, permitting employers to pay lower wages and removing the journey-person-to-apprentice ratios is going to encourage more young people to undertake apprenticeship training. I still haven't gotten an acceptable answer to that question. The government says they want to double the number of apprentices in Ontario. I don't see how placing those barriers, barriers such as imposing tuition fees, is going to encourage people to enter apprenticeship training programs.

We heard that very eloquently from Colleen Twomey, who came here with the president of the Ontario Federation of Labour, who said quite clearly that imposing tuition and user fees will discourage people from entering apprenticeship programs, whatever their age. We have to be concerned about the impact that's going to have on people who are disabled as well and on young people who aren't going to have the resources to pay tuition fees but are going to be faced with the choice of whether taking a gamble to get this sort of training is going to be worth the amount of debt they're going to end up with at the end. If they don't think that gamble is going to pay off, they're just not going to get involved in apprenticeship training. That was a sentiment agreed to even by the Labourers' International, who were one of the few groups that came to speak generally supportively about this legislation.

I think imposing tuition fees is going to have a negative impact on the entire system. We know that the average age of apprentices is 26 years. We're not talking about strictly young people here. We're talking about people who have young families, who may have student debts from their education, who probably have mortgages and are not going to consider undertaking training where the

result may be an uncertain employment future if they're going to end up with a big debt at the end.

I believe we need to take steps to ensure that industry involvement, employer involvement, includes a monetary commitment to training for apprentices, from whom those businesses are going to benefit, and not shift that burden on to those who are the least able to pay those fees. That's something that we see time and again, with this government's tax scheme especially, where those who are well off are benefiting, but those who aren't so well off are ending up having to pay more user fees, increased tuition, increased costs for many other things, and therefore are not benefiting at all from that tax scheme. We don't think that's fair and that's what's happening in this legislation as well. Employers aren't paying any increased costs for the training of their own employees; that burden is being shifted on those who are the least able to pay. That's wrong, it's unfair and it isn't going to lead to more skilled tradespersons in Ontario.

1740

Mr Gilchrist: I feel compelled to note for the record —

Mr Lessard: You've been fairly quiet all afternoon.

Mr Gilchrist: It's very ironic, the comments we just heard from the opposition members. I suspect it must be terribly frustrating for them —

Mr Lessard: You know it is.

Mr Gilchrist: — as they approach this bill to recognize the fact that every one of the amendments that is before them here reflects input from groups such as the OFL, the CAW, the privacy commissioner, everyone. I'm sure that will probably put a real crimp in their efforts to continue to spread the big lie that the government only listens to certain sectors of the economy and never listens to someone else.

The reality before us is that it's the opposition parties who aren't listening this time. We've listened to the presentations that were made by the unions, by trade groups, by individuals. But clearly they weren't listening throughout the process, because the minister made it very clear, there's nothing in this bill that speaks to tuition, and nothing will be spoken to on that matter until and unless there is an agreement signed with the federal government — you're right, Mr Lessard — as they exit their responsibilities for training.

I read into the record from the existing regulations — yes, folks, that would be regulations passed by Mr Lessard's government back in 1993 — section 16: "The director may, upon payment of the prescribed fee..." Section 1, section 3, the words are repeated again. In section 17 they're repeated four times. They're repeated again in section 21. If you want any kind of a certificate, you pay a fee. That's what the NDP said. Then when you get to section 27, it lists the actual fees in their dollar amounts.

The section before us right now is absolutely comparable to the existing NDP regulation which allows for the setting of fees for certain administrative issues. It is not about tuition; nothing in this bill is about tuition. I

would echo Mr Lessard's comments in one respect, that I would call on our Liberal colleagues to call their kissing cousins down in Ottawa and suggest that Ontario deserves to get a training agreement signed as they have with the other nine provinces. We don't deserve to be left high and dry by the Liberal government in Ottawa on this issue, as we have on every other issue.

To the amendment before us here right now, the fact of the matter is it perpetuates exactly the same fees Mr Lessard voted for and approved back when the regulations came before them.

The Chair: Thank you very much, Mr Gilchrist. It has stirred up other comments, I'm sure.

Mr Gilchrist: Why, such was the goal.

Mr Sergio: I'm compelled as well. You say no new user fee. How many user fees we have seen, to the tune of millions of dollars. With all due respect, two wrongs don't make a right. If this is what the NDP had and if this government, with this piece of legislation, wants to really improve the system as we now know it and attract more young people, why would they be perpetuating it by saying "user fee"? It isn't in here. He keeps on saying that the opposition lies, distorts. We are not doing that. We're not saying that. It is here in this section.

If we recognize that as one way to bring more young people into the trades market, if I can use this particular term, then why don't you eliminate the fees imposed by the NDP? It's right in here. What we say, and what presenters said, is that it will not help young people to come out and join apprenticeships when you are imposing another user fee. This is what they said. With all due respect, if it isn't what they said, why did you introduce 30 amendments to a bill which is less than nine pages?

Mr Gilchrist: Because we're listening.

Mr Sergio: You're listening? Evidently they haven't listened very well, because if they had, they would have come up with some reasonable, acceptable amendments. The trades are here and they are saying, "It isn't so."

With all due respect, when you are touching user fees you are touching a very sensitive area. With all due respect to the member who had just spoken on the government side, when he says, "We are not doing anything differently because the NDP voted," gee, isn't that nice? Because the NDP was wrong in the first place, let's continue to be wrong, let's continue with the user fees. Isn't that nice? Is this what we're telling the trades? Is this what we're telling the young people?

Interjection.

The Chair: Mr Gilchrist.

Mr Sergio: Evidently he doesn't like what I'm saying. Because we're been sitting here —

Interjection.

Mr Sergio: Evidently, he doesn't like it. If he doesn't like this, it's because in section 17 it says exactly that. It's perpetuating what the NDP started, it's continuing. If you really want to improve the situation, if you really want to be fair to the young people, then remove it, because it's still in your proposed legislation.

Mr Caplan: The member from Scarborough, Mr Gilchrist, always generates a lot of interest.

I find it passing strange that he would refer to every other jurisdiction in Canada as having been able to make an agreement, and he uses that as a rationale to try to download fees on to apprentices. We've had separatist governments in Quebec, NDP governments in Saskatchewan and BC and Conservative governments in Alberta who have been able to deal in good faith. Obviously it's a question of our not having a government in Ontario that can work in good faith with our federal partners.

Interjections.

Mr Caplan: If we should happen to have a change in government in Ontario, I can assure members of this committee that others could negotiate an agreement in good faith, as every other jurisdiction in Canada has. To my colleague to the left here, Mr Lessard —

Interjection: Appropriately to the left.

Mr Caplan: Very to the left — I find it very strange as well that there are no amendments, no suggestions. What is the NDP policy on apprenticeship? We know what the government's is: red tape, a bureaucratically run system. You know what ours is: an industry-driven, highly trained system. We have no idea what your policy is, Mr Lessard. Maybe you'll enlighten us.

Mr Lessard: We like the current system that you in your opening argument said has been working well for the province for the last 34 years. Why would we want to get rid of it?

Mr Chair, I don't know if making inflammatory comments is out of order but if it were, maybe I wouldn't have been compelled to respond to those comments by Mr Gilchrist. He refers to some previous regulations that came into force during the NDP government's reign. At least we can see those regulations. We don't have the regulations that are going to be passed pursuant to this legislation; we have no idea what it is they're going to say. That was a concern that was raised by a number of presenters who said: "Show us the regulations. What is it that you're trying to hide from us?"

Section 17 doesn't just refer to fees for applications. It has this basket clause provision that says, "may establish and charge fees...for any other function performed in connection with this act or the regulations." That opens the door wide for any sort of fees in the regulations, and we have no idea what they are. It just opens the door wide for any type of fees at any level. We know what the previous regulations said, but we have no idea what these regulations are going to say and what sorts of fees are going to be incurred or show up in those regulations.

I ask once again, could we please have the regulations before we complete this clause-by-clause review of the legislation so that we know what the implications of Bill 55 are going to be?

The Chair: There being no further questions or comments, I'll call the question. All those in support of this motion? Opposed? It's defeated.

Shall section 17 carry? All those in support? Opposed? It's carried.

Section 17.1, Mr Caplan.

Mr Caplan: I move that the bill be amended by adding the following section:

“Dispute resolution

“17.1 If a committee established under section 4 disagrees with anything done by the director under subsection 3(2), the committee and the director shall participate in a dispute resolution mechanism prescribed by the regulations.”

This is one of the checks and balances on the powers of the director that really ought to be in place. The director, as I think we've noted and as other presenters and members have noted, has practically unfettered power, is not accountable. Again, I would quote some of the presenters: “The language in the section related to directors is far too open-ended. It should provide a clear delineation of what the director should do.” The Toronto Board of Trade says, “By moving the control more into government, the board is concerned that the reformed system will be driven by the bureaucracy and not by the industry itself.” When that happens, when these bureaucratically made decisions occur, who is the government going to listen to? Quite frankly, it will probably be the bureaucracy, the director.

They've put a lot of power into the hands of this particular individual. What happens when there is a dispute between the director and the industry body? How is that resolved? We think there should be some process that is prescribed, a very honest, transparent process, to make sure there is a check and balance on the powers of the director, and again, that it be industry-driven.

I'm a little bit disappointed that some of the amendments we proposed previously that would ensure that we have an industry-driven apprenticeship and training model have not passed, that instead the government members of

this committee have insisted that we have a bureaucracy driven model, contrary to what the Toronto Board of Trade says, contrary to what the Ontario Chamber of Commerce says, contrary to what every presenter in the industry has said. I'm very disappointed that the members of the government have supported that kind of model. As I've said, I would have expected this out of the members of the NDP, not out of professed members of Mike Harris's government. It seems contradictory to say the words that this will be a flexible, industry-driven apprenticeship system, and yet we've placed all of the power in the hands of the director, with no check.

We're proposing a dispute resolution mechanism allow for a check and a balance, as I've said. I think it's a very reasonable proposition. I don't anticipate that it would be used too much — I know that industry has only the best interests of their particular sector at heart; I know the director is often a very reasonable person — but when there are legitimate disputes, there should be a method prescribed in the legislation through the regulatory power to be determined that will allow for these things to happen. I hope that all members will accept this recommendation. It is a very reasonable one.

The Chair: Thank you. Are there any further questions or comments? Being none, I'll call the question. All those in support? Opposed? Defeated.

I think it's 6 o'clock.

Mr Froese: Don't you want to carry the section?

The Chair: No, there is no section. There is none. They didn't get the amendment, so there's no section 17.1.

This committee will stand adjourned until 10 o'clock tomorrow morning.

The committee adjourned at 1755.

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Comité permanent des affaires gouvernementales

Loi de 1998
sur l'apprentissage et la
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Thursday 26 November 1998

Jeudi 26 novembre 1998

*The committee met at 1004 in committee room 1.*APPRENTICESHIP AND
CERTIFICATION ACT, 1998

LOI DE 1998

SUR L'APPRENTISSAGE ET LA
RECONNAISSANCE PROFESSIONNELLE

Consideration of Bill 55, An Act respecting Apprenticeship and Certification / Projet de loi 55, Loi concernant l'apprentissage et la reconnaissance professionnelle.

The Chair (Mr John O'Toole): We're dealing with Bill 55. We were in the midst of very open debate, if I recall. We're still dealing with section 18, I believe. We're at amendment 40, a government motion, Mr Smith.

Mr Bruce Smith (Middlesex): I move that clause 18(1)(b) of the bill be amended by striking out "an occupation" in the first line and substituting "a trade or other occupation."

This is similar to other amendments introduced previously and effectively adds the term "trade" to the body of the bill.

The Chair: Any other questions or comments?

Mr David Caplan (Orlino): Just very briefly, Chair. The amendment certainly is welcome. Unfortunately, it misses the mark. It doesn't remove the words "skill set" or "restrictive skill set." We'll be opposing this amendment.

The Chair: I'll call the question. Those in support? Opposed? It's carried.

Amendment 41, Mr Caplan.

Mr Caplan: I move that clauses 18(1)(a) and (b) of the bill be struck out.

As I just indicated, removal of the ability to designate "skill set" and "restricted skill set" is appropriate and would bring Ontario in line with what's happening in other jurisdictions, internationally and nationally, and really ought to be removed from this bill. That's why this amendment is coming forward.

The Chair: I call the question on this amendment. Those in support? Opposed? That's defeated.

Mr Smith, government motion 42.

Mr Smith: I move that subsection 18(1) of the bill be amended by adding the following clause:

"(d) authorizing an industry, organization or other person specified by the regulations to exercise powers and

perform duties of the director, subject to such conditions and restrictions as may be specified in the regulations, including conditions and restrictions relating to freedom of information and protection of privacy."

This particular amendment addresses the issue of alternative service delivery and effectively moves it to LGIC regulation and would require, as a result of that, if approved by this committee, that any organization outside of government abide by freedom of information rules.

The Chair: Further comments, questions? Seeing none, I'll call the question. All those in support? Opposed? I declare the motion carried.

Government motion 43, Mr Smith.

Mr Smith: I move that clause 18(2)(b) of the bill be amended by adding at the end "including giving committees additional powers and duties."

This speaks to the items that we debated at length yesterday as a committee with respect to the government's position to provide additional powers to industry committees under minister's regulation.

Mr Caplan: The indication is that it's the government's intention to give industry committees additional powers and duties. This clause amounts to a "trust me" situation. First of all, these industry committees are permissive. The minister is not required to have industry committees for any of the occupations, the trades. We think that's quite against the spirit of what this committee heard in the public hearings, that it should be prescriptive. We also believe those powers and duties should be spelled out in the act itself, as we have proposed through amendment, and not be left to a nebulous "trust me" kind of argument.

As I think has been indicated quite strongly, this government has not earned the trust of industry, has not earned the trust of the stakeholder groups. Their consultation process to date has been nothing more than a sham. The government clearly has not listened. When the representatives from the provincial advisory councils and when other stakeholder groups have made representation to the government about apprenticeship reform, it has not been reflected in the legislation that's been brought forward, has not even been recognized in many of the amendments the government has brought forward.

Saying this is something which may happen at a later date I think merely pays lip service to what many of the groups said. I go back and quote folks like the Toronto Board of Trade. The Toronto Board of Trade was very

clear. They said: "By moving the control more into government, the board...is concerned that the reformed system will be driven by the bureaucracy and not the industry itself." Such a "move is inconsistent with the market-driven approach...."

That's very much in step with what was heard from industry committees, representatives of labour groups and representatives of other stakeholder groups, that there ought to be more of this kind of approach as opposed to the bureaucratic system that is going to be in place should Bill 55 pass as amended. We feel that's very much the wrong direction.

I would say to all representatives of this committee that trust is earned, it is not given. The trust of industry in this government is not there, as we've seen and as we've heard. I suggest that this should be strengthened quite a bit by the amendments we've already proposed.

1010

Mr Wayne Lessard (Windsor-Riverside): One of the messages we heard quite consistently during the hearings in Windsor, Toronto, Sudbury and Ottawa was that those who are involved in industry, those who are involved in apprenticeship programs and those who are on the provincial advisory committees felt there needed to be an increased role for those committees.

It was stated on numerous occasions that the previous legislation, the Trades Qualification and Apprenticeship Act, had been working fairly well for over 30 years. It wasn't perfect, but it wasn't a suggestion that they should throw out the whole act and bring in something entirely new. One of the major concerns about the TQAA was that there didn't seem to be adequate enforcement mechanisms within it. Although it's fairly prescriptive, there really wasn't anybody ensuring that the act was being complied with.

One of the suggestions that I thought had a great deal of merit was that the PACs would have a greater role in providing the enforcement mechanisms through that legislation. I think that was one of the changes that could have been made to the TQAA that would have improved its operation.

I don't think anyone was suggesting that the previous legislation was perfect in any way. They were saying that it had been working fairly well but could be improved, and I think all of us acknowledged that. In fact, now that the government is not going to get rid of that previous legislation, we hope they're going to be considering some of the suggestions to improve that legislation that were made to us while we were having our committee hearings.

I wouldn't refer to the Toronto Board of Trade as one of the most persuasive groups to advance the NDP's arguments, but I would refer to a number of the presenters who came before our committee who quite strongly urged that there be a greater role for the PACs. Now, not only do we not see an expanded role for them, but we're now faced with the possibility, I think the likely probability, that there are not only going to be PACs under Bill 55, but there's going to be PACs under the TQAA as well. We're going to have two sets of PACs and I'd be interested in

trying to find out how those are going to operate in the future, how they're supposed to function.

This change to the regulation-making power of the minister, saying that it includes giving committees greater powers is, I guess, permissive. The section says:

"The minister may make regulations,...

"(b) governing committees established under section 4."

If you look at section 4, that section says, "The minister may establish a committee...."

Before he may even give them those expanded powers, he has to establish the committee in the first place. We have no assurance that those committees are going to be established and no assurance that there may be regulations made giving committees greater powers. I would have thought that if there was one area where the government was going to respond to the concerns that were raised at our hearings, it would have been to give the PACs more power. If they were going to do that, they should have made the wording clearer in this section, made it mandatory and set out the powers they were going to give those committees rather than leaving it vague and discretionary, the ways it's been placed in this section, and because of that I'm not supporting this change.

The Chair: With that, I'll call the question. All those in support? Opposed? I declare the motion carried.

Government motion 44, Mr Smith.

Mr Smith: I move that subsection 18(2) of the bill be amended by adding the following clause:

"(c.1) prescribing academic standards that must be successfully completed before an agreement may be registered under section 5."

This allows the minister to make regulations setting an educational entry requirement other than grade 12. As you will know, we introduced a higher standard with respect to the grade 12 provision. This would allow those organizations that want an exemption from that standard the avenue for them to pursue that. For the information of the committee, this particular amendment is tied to motion 49, which requires industry committees to make recommendations.

Mr Caplan: I understand where the government is coming from. However, it is very interesting that they wouldn't add the words "on the advice" or "as recommended under section 4 of this bill." There is no industry role. It's very wide open that the minister may make these regulations, but it does not specify that it will be under the advice of the industry. I think that's a very strange kind of arrangement and I would ask the parliamentary assistant why it wouldn't specify under section 4.

Mr Smith: Briefly, I thought I included that in my comments. This particular amendment is tied to motion 49, which requires consideration of industry committee recommendation on the particular issues. The intent of the grade 12 provision was to recognize the higher standard, but the recognition as well that some groups may wish to opt down to a lesser academic level at their request and this particular motion speaks to that situation.

Mr Caplan: I hear the explanation of the parliamentary assistant. Unfortunately, the motion, as stated, doesn't indicate any role at all for the industry, for the provincial advisory committees that wish to make that representation. In fact this is an open door to the minister to prescribe any standard unilaterally. If it is truly the intention of the government to do this, the wording should read "under the advice of" or "as recommended by" those bodies under section 4.

The Chair: Any further questions or comments? Seeing none, I'll call the question. Those in support? Opposed? That's carried.

Mr Caplan, motion 45.

Mr Caplan: I move that clause 18(2)(f) of the bill be struck out and the following substituted:

"(f) deeming a person from another province or territory of Canada to be an apprentice under a registered training agreement under which he or she is employed in an employer-employee relationship and is to receive workplace-based training in a trade or other occupation as part of an apprenticeship program approved under section 4, subject to such conditions and restrictions as may be specified in the regulations."

This amendment speaks to a number of items. First and foremost, it highlights that apprenticeship ought to be based upon an employment situation, that there would be a tie-in between employers and employees and that is the reason for apprenticeship. It is my belief that is a fundamental part of apprenticeship, which unfortunately has been removed by the government. There is no longer a job for an apprentice. It is now open to any individual or corporation or municipality or school board or any other such body that wishes to have apprenticeship so the apprentice entering the system has no guarantee of employment, has no job waiting for them. That very much is a significant change and ought, in our opinion, to be reflected in this bill and unfortunately it is not.

I'd like to highlight again that we have removed references to skill sets. We believe, as I've stated on numerous occasions, that this takes Ontario out of step with the rest of Canada, out of step with the rest of the world, and ought to be removed.

Also, it adds towards the bottom "an apprenticeship program approved under section 4," approved by the industry. As it states in the particular regulation, it would be approved by the director. Again we believe that apprenticeship training systems ought to be industry-directed, not bureaucratically directed. I think that is a very important distinction, and we hope this will pass.

1020

The Chair: Further comments or question? Seeing none, I'll call the question. Those in support? Opposed? I declare the motion defeated.

Mr Smith, motion 46.

Mr Smith: I move that clause 18(2)(g) of the bill be struck out.

This is a companion motion to motion 42, which allows the LGIC to make regulations related to alternative service delivery or industry self-regulation.

The Chair: Questions or comments? Seeing none, I'll call the question. Those in support? Opposed? I declare the motion carried.

Motion 47 is out of order, if you'd care to withdraw it, because section 17(1), your previous amendment, failed. So you have the privilege of withdrawing it.

Mr Caplan: I'll withdraw it.

The Chair: Withdrawn. Mr Smith, 48.

Mr Smith: I move that clause 18(2)(h) of the bill be struck out and the following substituted:

"(h) providing for any transitional matter relating to this act."

This effectively removes the language in force. Such a change would facilitate the construction trades entry under Bill 55.

The Chair: Questions or comments?

Mr Lessard: One of the concerns that was raised with respect to transitional matters was for persons who were currently involved in apprenticeship training programs.

We all recall the testimony of Colleen Twomey that was made here in Toronto last week. She's an apprentice who is currently involved in a program and she was wondering what was going to happen to the program she was involved in. She made a number of comments. She indicated she felt that imposing tuition and user fees would discourage young people from entering apprenticeship programs, but she also mentioned that she didn't know what was going to happen to the program she was involved in, whether there was going to be some assurance that at the end of the day she was going to receive the certification she was expecting. When that question was put to the parliamentary assistant, the only assurance he was able to give her that she was going to receive the protection she had expected was to refer to this regulation-making section of the bill, which once again is permissive. It says: "The minister may make regulations...providing for any transitional matter...." That was the only assurance she was able to receive.

As has been said before this committee on numerous occasions, this bill has "trust me" written all over it. Quite frankly, I think this government has a bit of a problem with trust at the present time. It would go a great way towards trying to re-establish at least some small level of trust between the government and the people who are being regulated by this legislation especially to have the regulations before us before we're expected to pass this bill, because we have no idea what sort of transitional provisions are going to be provided for in those regulations.

This is a lot like buying a car this week and being assured that you're going to get the warranty provisions next week. After you've paid your money and taken delivery of the car, trying to figure out what kind of protections you're going to receive a week after you've put your money down I think is just unacceptable. It is not a way to draft legislation. It doesn't give the people who are governed by this legislation any assurance that their interests are going to be accommodated during this transition period.

Mr Caplan: Many of the presenters came and spoke about the regulation-making ability in this bill. The bill is only approximately nine pages. It is a rather short bill. It's quite bereft of detail. I'd like to read into the record some of the concerns. For example, one of the presenters said that this bill is simply enabling legislation. It provides for the government to create regulations. "We do not see any substance before us in this legislation. We believe the government should clearly state its objectives in legislation so that all parties may clearly understand the direction. To do any less only invites speculation and misinterpretations." That was from OEETA.

We have another comment: "The regulations are not yet available. Too much is left to ministerial decree, regulations, guidelines etc which are not subject to public scrutiny." In fact this is a trend which we've seen with this particular government, to make a lot of these decisions behind closed doors, in the back rooms, where there is no public debate, where there are no assurances given about the arbitrariness of some of the decisions being made.

Another comment: "Do not allow Bill 55 to proceed to third reading without tabling the regulations. The industry must be satisfied that the bill's shortcomings can be adequately addressed in regulation."

Another comment: "I see that the legislation is vague. I'd like to see the regulations." It's very interesting.

Another comment: "To ensure accountability, the government should retain responsibility for licensing, enforcing and issuing penalties."

There were so many comments related to the vagueness of Bill 55, of the intention of the government to say, "Pass us the ability to do anything we would like and trust us that we're going to make sure that the interests of industry, employers, employees and young people are protected."

As I say, that trust has not been earned by Mike Harris, by this particular government, and for good reason. For example, we've seen \$5.5 billion of property taxes raised through regulation. We've seen regulatory changes made which are certainly not in the public interest. To ask that something as crucial as a training system, something that's important for a skilled workforce to make us competitive, to give us opportunities for workers, for young people, for older people, is something that I think the government should come clean on, should say what their intentions are, should show us in legislation, which would be the preferred option, or to table the regulations at this committee and show us ahead of time what they intend to do and where they intend to go.

So far, those concerns have fallen on deaf ears and the government has not been prepared to demonstrate where they intend to go with this legislation, what their intentions are. We heard the minister talk about a 30-year-old act that is rigid and inflexible. It's very interesting that he would make that comment now when we're going back to that particular system which the government said was unacceptable to them for an entire sector in the apprenticeship and training area. I'm going to talk a great deal

more about that when we come to that particular amendment.

We will be opposing this particular amendment.

The Chair: Any other comments or questions? I'll call the question. Those in support? Opposed? It's carried.

Government motion 49, Mr Smith.

Mr Smith: I move that section 18 of the bill be amended by adding the following subsection:

"Academic standards

"(2.1) The minister shall not make a regulation prescribing an academic standard under clause (2)(c.1),

"(a) for a trade or other occupation, unless the standard has been recommended by a committee established under section 4 for the trade or other occupation or for a group of trades or other occupations that includes the trade or other occupation; or

"(b) for a skill set, unless the standard has been recommended by a committee established under section 4 for a trade, other occupation or group of trades or other occupations that includes the skill set."

1030

As I indicated, this was tied to a previous motion, 44, which the committee has dealt with. Effectively, this amendment provides the industry committees' enhanced role within the system with respect to the setting of educational standards other than grade 12.

The Chair: Further questions or comments? Seeing none, I'll call the question. All those in support? Opposed? I declare the motion carried.

Shall section 18, as amended, carry? All those in support? Opposed? I declare section 18, as amended, carried.

We're on section 19, Liberal motion 50.

Mr Caplan: I move that section 19 of the bill struck out and the following substituted:

"Industrial Standards Act

"19. Subsection 22(3) of the Industrial Standards Act is amended by striking out "Trades Qualification Act" in the second line and substituting "Apprenticeship and Certification Act, 1998".

The reason this is being amended or recommended for an amendment is that it means there will be a reference in the Industrial Standards Act to the current act, which would not be the case. I think that's very important, particularly when you recognize that if you were to remove that particular section, as some of the presenters have mentioned, apprentices wouldn't have any guarantee regarding wage protection. If you remove the tie-in, do they have an entitlement to minimum wage? That's the concern there.

Mr Lessard: I want to speak in support of this suggested amendment. As has been said, this does refer to the rights of wages that are covered under the Industrial Standards Act. I'd just like to read that section 22(3) into the record. It says, "The rates of wages for apprentices to whom the Trades Qualification and Apprenticeship Act applies shall be the rates provided under that act and the regulations thereunder."

We heard concern on numerous occasions with respect to the removal of the wage ratios for apprentices vis-à-vis journeypersons and the concern that what was going to happen is that wages were going to be driven down as a result of the removal of that ratio. That's something we agree with. We think that's what is going to happen as a result of this legislation. I think there needs to be some protection for minimum wages so they're not driven down below the rates that they're at right now. In fact, we really haven't received a satisfactory answer as to whether the minimum wage rates in the Employment Standards Act are going to apply to apprentices who are hired by "sponsors" who aren't actually considered to be employers. If there's not an employee-employer relationship, does the Employment Standards Act with respect to wages even apply? We don't know that. That opens up the door to the possibility that wages for apprentices can be anywhere from zero and above. We don't think that's something that's going to encourage young people to pursue skilled trades as a career option.

Mr Smith: I'll be speaking in opposition to this motion. Just for clarity of my colleagues in the opposition and my own government colleagues, who will note that the government is recommending voting against section 19, that action effectively accomplishes what's being proposed here. In fact, voting against 19 is necessary to retain the industrial standards to accommodate and protect the construction sector.

The Chair: Any further comments or questions? I'll call the question. All those in support of this particular motion? Opposed? I declare the motion defeated.

Government motion 51: Actually, this is not a motion, it's a recommendation. Any debate on this? Any points to be made?

Mr Lessard: I think it's interesting that the government is suggesting voting against sections of their own proposed legislation. This really goes back to comments I made before that Bill 55 is a flawed piece of legislation that resulted from a flawed process. This government likes to say they've been consulting for over the last two years. If that really were true, if they were really listening to people, they would have had a bill before us that was able to accommodate the concerns they had received. Instead, what we have now is probably worse than what we started out with when Bill 55 was introduced. Not only has the government finally agreed that Bill 55 is flawed, at least for one group of skilled trades people, but that this one section of the bill needs to be deleted. So now we're going to have two separate systems of apprenticeship in Ontario.

I reiterate my suggestion that the government scrap this bill, go back to the drawing board, come up with a comprehensive piece of legislation that's going to address the interests of employers, employees, young people, apprentices and skilled trades people so that we don't have this confusing system in the future that I suggest isn't going to encourage more people to get into skilled trades but is going to discourage them and is really going to lead to confusion. I would recommend that the government vote against the entire bill, not just section 19.

Mr Caplan: It must be incredibly humiliating for the government to have to suggest voting against sections of its own bill. That's absolutely remarkable. I too would call on government members to vote against every section of this bill. I don't believe it has much merit. It's a bad piece of legislation and they're creating enormous problems for themselves. As we're going to see in a later amendment, the government is suggesting that they're going to set up two systems, two pieces of legislation and two frameworks for apprenticeship and training in Ontario, which is absolutely ridiculous.

For the government to come at this late time and admit that their own legislation is so badly flawed that sections of Bill 55 ought to be voted against by their own members, I must tell you, Mr Chair, the irony is absolutely numbing. The government has said time and time again how this will create more apprenticeships, how this will create more opportunities. What this legislation will do is create more confusion. What it will do is create more barriers. What this legislation will do is create less opportunities. In fact, in the words of many of the presenters, this piece of legislation, Bill 55, will create fewer jobs, fewer opportunities and a job loss for Ontarians and should be voted against in its entirety, not just section 19.

I certainly commend the government for recognizing just how flawed this legislation is and making the suggestion that aspects of it ought to be defeated. I hope the government will come to its senses and defeat the entire bill.

The Chair: Mr Smith, concluding comments?

Mr Smith: I have no further comments, Mr Chair.

The Chair: We're really not debating 51, we're voting on section 19. I'm going to call the vote on section 19. All those in support? All those opposed? That's unanimous. Defeated. It's lost.

Government motion 52.

1040

Mr Smith: I move that section 20 of the bill be struck out and the following substituted:

"Trades Qualification and Apprenticeship Act

"20(1) The definition of 'Director' in section 1 of the Trades Qualification and Apprenticeship Act is repealed and the following substituted:

"'Director' means the Director of Apprenticeship appointed under the Apprenticeship and Certification Act, 1998. ('directeur')

"Same

"(2) The act is amended by adding the following section:

"Application

"1.1 (1) This act applies only to the following trades:

"1. Brick and stone mason.

"2. Cement mason.

"3. Construction boilermaker.

"4. Construction millwright.

"5. Electrician.

"6. General carpenter.

"7. Glazier and metal mechanic.

"8. Hoisting engineer.

"9. Ironworker.

"10. Lather.

"11. Lineworker.

"12. Painter and decorator.

"13. Plasterer.

"14. Plumber.

"15. Refrigeration and air-conditioning mechanic.

"16. Sheet metal worker.

"17. Sprinkler and fire protection installer.

"18. Steamfitter.

"19. Such other trades in the construction industry as are prescribed by the regulations.

"Hairstyling schools

"(2) Despite subsection (1), the regulations made under clause 26(1)(f) with respect to hairstyling schools continue to apply until December 31, 1999 and this act continues to apply to hairstyling schools until that date.

"Same

"(3) Subsection 2(1) of the act is repealed.

"Same

"(4) Clause 26(c) of the act is amended by striking out 'from this act and the regulations or from any provision of either of them' in the second, third and fourth lines and substituting 'from any provision of this act or the regulations'.

"Same

"(5) Section 26 of the act is amended by adding the following clause:

"(u) prescribing additional trades in the construction industry to which this act applies.

"Same

"(6) Section 26 of the act is amended by adding the following subsections:

"Same

"(2) Despite section 1.1 and any regulations made under clause (1)(u), the Lieutenant Governor in Council may make regulations providing that this act does not apply to a trade.

"Same

"(3) The Lieutenant Governor in Council shall not make a regulation under subsection (2) in respect of a trade unless the regulation is recommended by the committee established in the trade under section 3 or by a committee established under that section for a group of trades that includes the trade."

This particular motion reflects, as my colleagues I suspect will be speaking at length to, the government's recognition of the uniqueness of the construction sector in this province and the significance that sector holds with respect to the economy and certainly to the skilled tradespeople who are captured under that. It's in that context that we have proposed this particular amendment which effectively indicates that the TQAA will continue apply to the construction industry. Since the TQAA is not being repealed, the reference to the private hairstyling schools does remain in place. As well, the addition of the regulation-making power would recognize any construction trade that chooses to be regulated either under

the TQAA or, should they move towards Bill 55, on the recommendation of the provincial advisory committee.

Mr Caplan: I must tell you at the outset that we will be supporting this particular amendment. Any amendment that is going to exempt or change or remove individuals or a sector from a bad piece of legislation cannot be too horrible.

I have to start with a quote, though: "Today the system's regulations are too rigid to meet the needs of our competitive economy. One message was repeated time and again during consultation with apprenticeship partners and that message was, 'We must move forward.'" Of course, that was Education Minister Dave Johnson, the day he introduced Bill 55, June 25, 1998. Well, in trashing what he said was an over-30-year-old act, now we're going back to that. How humiliating for the government, for Minister Johnson, for the members of this committee to have to say on the one hand, "We have to move forward," and now we're moving forward to the past. Absolutely unbelievable.

What I would say to the government, to the members of this committee, is that in effect what has happened here is that the government has gutted its own bill. They've ripped the heart out of the bill. It's lying bleeding on the floor. So why don't you put it out of its misery and just kill Bill 55? That's the sensible thing to do. Go back to the drawing board, work with industry partners, work with the stakeholders and find a way to take us forward; not to set up more bureaucracy, more red tape, not to have two parallel and different systems and two different pieces of legislation for apprenticeship and training.

It's absolutely amazing to me that the minister calls this progress. You've spent the last two years telling us we need to create a system with less bureaucracy and now, at the last minute, at the 11th hour, the government says they need to run two apprenticeship systems. It just does not make sense to me. I think the minister and the government should admit that this bill has become a complete disaster and the best course of action would be to start again and to develop one system that will work for everyone across this province.

The construction industry is fortunate that they will not be burdened by Bill 55. It's too bad that every other sector in Ontario will not have the same opportunity. Mr Chair, I am absolutely — well, nearly — speechless at just how —

Interjections.

Mr Caplan: I know my colleagues wish I was. It's not possible. I concede that to my colleagues: It is not possible.

This move by the government is an implicit admission that this is a failed bill, that this is a failed process, that this whole bill ought to be scrapped in its entirety. By having two systems, by having two pieces of legislation, you're now going to have regulations, you're going to have two different kinds of committees, you're going to have confusion reigning supreme in the apprenticeship and training systems. The government has created a greater problem for themselves and greater barriers to appren-

ticeship and skilled trades opportunities than existed previously.

Nobody said the previous legislation was perfect; in fact, industry representatives said that this legislation could be strengthened, that it could be improved. What the government has done gives us a compete sham, a complete farce, a complete mishmash of a legislative framework. If the government had any sense at all, it would kill Bill 55. It would go back to the drawing board. It would work with industry, it would listen to industry, it would listen to employers, it would listen to employees, and the government might even take some of the very constructive suggestions that our caucus, my colleagues and I, have made in order to strengthen and improve apprenticeship. I would add, Mr Chair, that every one of those suggestions has been defeated by the government, very disappointingly, because many of those suggestions were based upon what we heard from industry.

Interjections.

The Chair: Thank you, Mr Caplan.

Mr Caplan: I'm not finished yet. I might have to start again.

Interjections.

The Chair: I'll call a recess.

Mr Caplan: The government members, of course, are being a little bit silly at this point. I can understand that. I can certainly understand that they cannot fathom how a government that says something on the one hand acts completely different on the other. That, I think, is perhaps the greatest irony in all of this. All the spin, all the speeches, all the communications from the government have been to indicate what they consider to be an inadequacy and a problem with what's taken place in the past in regard to Ontario's apprenticeship and training systems. Now at the eleventh hour, they've decided all of a sudden that it's OK; we're going back to the past.

Instead of moving forward, which we ought to be doing, instead of finding ways to strengthen what we have, the government has rejected that notion. It has made a mockery of the entire apprenticeship reform process. As I say, Bill 55 remains a bad piece of legislation, exempting 40% of those who train apprentices, nearly half. They have ripped the heart out of that system. This piece of legislation is bleeding. It deserves to have its final execution, and I hope the government will finally come to its senses and vote against and withdraw Bill 55. Thank you, Mr Chair.

1050

Mr Lessard: It's interesting to hear that the Liberals have finally adopted the NDP position on Bill 55. We've been consistent in our position that Bill 55 is bad legislation. It's not going to increase the number of young people who are going to pursue apprenticeships or skilled trades as careers. It's going to drive down wages. It's going to lead to further shortages of skilled tradespersons in the future. It's going to diminish the quality of training that young people receive. It's doing that by removing the journey-person-to-apprentice ratios and lowering standards.

We've been consistent with the message that this bill should be scrapped, that the government should go back to the drawing board and have meaningful consultations and have legislation that's comprehensive, that's going to cover the whole range of apprenticeship training in Ontario. We have felt from the outset that Bill 55 was unfixable and we weren't going to participate in this process where we present a whole lot of amendments that are going to be defeated in the hope that somehow we might be able to fix this bill up. Our position is still the same, that Bill 55 should be scrapped.

Finally the government is coming over to the NDP position as well, at least for a great number of apprentices. They say that Bill 55 is no good for a whole list of skilled tradespersons, including brick and stone masons, cement masons, construction boilermakers, construction millwrights, electricians, general carpenters, glaziers and metal mechanics, hoisting engineers, ironworkers, lathers, line workers, painters and decorators, plasterers, plumbers, refrigeration and air-conditioning mechanics, sheet metal workers, sprinkler and fire protection installers, and steamfitters.

If Bill 55 isn't any good for those trades, I ask the government, why is it good for a whole lot of other trades? Why not just make this list complete? Put all skilled trades, whether they be voluntary or compulsory, onto this list and remove everyone from Bill 55. That's what I would suggest. But I don't suspect the government is going to do that. Instead of having a comprehensive apprenticeship training policy or program in Ontario, we're going to have two systems of apprenticeship training and all of the confusion that is going to result from that.

I do have some questions with respect to this section. One is who this applies to. I see the list here, but it also says in 1.1(1)19 that the TQAA applies to "Such other trades in the construction industry as are prescribed by the regulations." Once again, we don't have the regulations that are going to follow under that section, so we don't know what other trades might be included in this list at the present time. I'd like to know whether the parliamentary assistant can give us some guidance as to what other trades are included.

I also have a question with respect to some trades that aren't considered to be strictly construction trades. I'm considering in that question electricians, which I raised yesterday in my questions to the parliamentary assistant. If an electrician is in the construction sector but is also doing maintenance work in the industrial sector, is that person covered under the TQAA or are they covered under Bill 55, or are they covered under both depending on the type of work they are doing? That's one of the questions I have with respect to this section. I may have a few more as time goes on.

Mr Smith: I'm going to refer the question to ministry staff.

Mr Rob Easto: I'll start by trying to answer your question with respect to what trades are included in this, and particularly your reference to 19: "Such other trades

in the construction industry as are prescribed by the regulations." This allows other groups such as roofers, floor covering installers — those kinds of trades that have not been listed here because they're not currently regulated under the TQAA — to come forward and request to be considered and fall under the TQAA. That's what that means. The list is not definite; it could grow in the future.

Mr Lessard: As a supplementary to that, I'm wondering what sort of process those trades that you've listed that aren't regulated now would be expected to go through in order to try and be covered under the TQAA.

Mr Easto: I don't think the details of that have been worked out. They will be in regulations. Certainly the industry would have to come forward to the government and request to be included in that list.

Mr Lessard: "The industry," meaning the PACs or —

Mr Easto: By definition, you can't have an official PAC until you're a regulated trade, but we do have steering committees that would come forward and would have the same authority as a PAC in this instance to come forward and recommend that they be included, that they be added to this list.

The Chair: Any further questions or comments on this section?

Mr Lessard: Mr Chair, it does raise some interesting questions. Even though we have this list, we know it's not comprehensive. In fact, we have no idea, as a result of that answer, who is going to be covered under the old legislation. That really just highlights my submission that what this is going to do is just cause more confusion for tradespersons in Ontario.

Further to my question about who is included, I'd like to know whether there is a possibility of some of these trades that are listed here being excluded. Is there a possibility that one of these trades could say, "We don't want to be covered under the TQAA," and if so, how would they get off that list?

Mr Easto: The short answer is yes, there is that provision in one of the subsequent sections of the amendment. Again it would be, in this case, the provincial advisory committee that would have to come forward and request to be moved under Bill 55.

Mr Lessard: Is there a possibility that not just PACs could ask that there be removal of certain trades from the list? Can certain organizations opt out of coverage under the TQAA as well?

Mr Easto: No.

Mr Lessard: Just to get back to my question about electricians, does this only cover electricians who are in construction, or does it cover all electricians? I'm referring specifically to maintenance electricians.

Mr Easto: This covers the trade, not where people work. So construction and maintenance electricians are covered under this regardless of where they're working.

Mr Lessard: So it would cover electricians who are working in the industrial sector.

Mr Easto: Yes, if they are construction and maintenance electricians. If they are certified as construction

and maintenance electricians, they would be covered under the TQAA regardless of where they're working.

Mr Lessard: Is an electrician referred to as "construction and maintenance electrician"?

Mr Easto: Yes.

Mr Lessard: Why isn't it referred to that way in this subsection? Why does it just say "electrician"? That was the reason I raised that question.

Mr Easto: That one, sorry, I can't answer. I think it's because it's always been felt to be clear that "electrician" does refer to construction and maintenance electrician.

The Chair: Does that answer your questions, Mr Lessard?

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Mr Lessard: I'd like to ask the parliamentary assistant whether he or the government representatives will continue to meet with the construction industry, with the PACs, with the representatives of the various trades organizations for the purposes of determining whether they should be covered under "such other trades" in the construction industry as prescribed by the regulations so that there is an opportunity for other construction trades to come under this legislation, so that they can have some comfort that the door is still open, that they can be covered under the TQAA.

Mr Smith: I can assure Mr Lessard that I will continue to meet with the construction sector on this particular issue. We certainly have some issues with respect to the development of regulations, which we attempted to start on a preliminary basis in July. Certainly in discussions I've had over the course of the past three days with representatives from those industries I think I've very clearly given my intention to continue to work with them in the regard that they're hoping will materialize over the course of the next four months as we develop the regulations.

Mr Lessard: One of the reasons this change in direction by the government was made was because of suggestions that were made by the representatives in the construction industry, including employers and employees, that they didn't want to be covered by Bill 55. They referred to some suggestions they had with the TQAA. As I indicated earlier, they weren't suggesting for a minute that the TQAA was a perfect piece of legislation and that's why they wanted to be covered by it.

They had some very specific suggestions as well with respect to strengthening the role of the PACs. Those haven't been addressed in Bill 55.

Their criticism of the TQAA was that the role of PACs should be enhanced under that legislation. That was one of their concerns. My question is, does the government have any intention of making changes to the TQAA or the regulations to expand and improve and enhance the role of the PACs under that legislation?

Mr Smith: As I've indicated over the course of the last two days, there have been some substantive amendments in terms of the changing role and responsibilities of PACs in terms of the reporting relationship they now have with the minister, and as well in terms of their recommenda-

tions on education requirements and other areas of concern, and the establishment of guidelines, for that matter. I can indicate to you that the first priority for both myself and the minister is to be satisfied that we have an appropriate consultation measure in place for industry representatives as we need to work on the drafting of regulations over the next three to four months. That's the first priority.

I think both the minister and I want to be satisfied that those issues are being appropriately addressed so that we have a regulatory framework that meets the expectation of industry representatives. I can only speak from a personal perspective, but that's my priority for the next three months, to make sure those measures are appropriately addressed.

Mr Lessard: The reason for my question is that you've made amendments to Bill 55 that give the minister the discretion to expand the powers of the PACs — and I've indicated my concerns about that permissive power — but you haven't made similar amendments to the TQAA. I'm asking whether those are something we can expect.

Mr Smith: I'm not going to speak of what might happen. I only can speak to what the priority is, and the priority for the minister and for me is to ensure that we have a regulatory framework that is appropriate for the industry. That should be the first priority. Any step beyond that, that's for someone else to decide. Given the continued involvement that my office and the minister's office have with representatives from all sectors, I suspect that dialogue will continue, as it has since December 1996.

The Chair: I'll call the question on government motion 52. All those in support? That's carried unanimously.

Section 20: Shall section 20, as amended, carry? The section is carried.

Section 21: Shall section 21 carry? Carried.

Shall the short title in section 22 carry?

Mr Smith: Just a second, Mr Chair.

The Chair: Is there an amendment on that?

Mr Smith: I think we have a motion on section 22, do we not?

The Chair: That's the long title.

Section 22: Shall section 22 carry? Carried.

We're dealing with the long title now: government motion 53.

Mr Smith: I move that the long title of the bill be struck out and the following substituted:

"An Act respecting apprenticeship and certification."

This effectively changes the name of Bill 55.

The Chair: Discussion? All those in support?

Mr Caplan: I just want to understand the rationale for the change.

Mr Smith: Basically because of the relationship that exists between the TQAA and the fact that part of it is being retained, and the necessity that brings about for a change to the bill that we have in front of us today.

Mr Caplan: So the fact that we have two systems of apprenticeship has to be reflected?

Mr Smith: The fact that we have two pieces of legislation dealing with apprenticeship and training necessitates the change to the name of this bill.

The Chair: Shall this amendment carry? Carried.

Shall the long title of the bill, as amended, carry? Carried.

Shall the bill, as amended, carry? All those in support? Opposed? Carried.

Shall I report the bill, as amended, to the House? Carried? Opposed?

Interjections.

Mr Lessard: Just a couple of comments with respect to that.

Interjection: What are we voting on?

The Chair: We are reporting on the reporting of the bill to the House. We have debated the entirety of the bill. The bill is passed. The question before us — Mr Lessard, respectfully, if you can keep it brief, I have an appointment. I'm not trying to hurry your comments. If there's further debate that's in order —

Mr Steve Gilchrist (Scarborough East): On a point of order: The question has been put by the Chair.

The Chair: We're not debating the motion.

Would you mind keeping it brief, respectfully? You have the floor.

Mr Lessard: We have debated this bill on a clause-by-clause basis. We haven't debated it in its entirety. I would feel that this would be an appropriate time to make those remarks.

The Chair: Mr Lessard, respectfully, the point there is, we have voted on the bill. The question before us is to put the bill before the House. The opportunity would be, I would suspect, "Shall the bill carry?" which was the previous question. I would entertain a brief comment. There will be an opportunity for you to speak in the House, and I'm sure you will — no? As far as I understand.

Mr Lessard: I would like to have some clarification with respect to that, because the time allocation motion says there's two hours allocated for debate, and on previous occasions we have found that if the government uses an hour and the Liberals use an hour, we don't end up with any time. If we could have some assurance at this point that the time will be divided equally between all three parties, it would give me some assurance that we would be able to speak on third reading.

Mr Smith: Mr Chair, I would suggest Mr Lessard take that very issue up with his House leader, and that's a matter for the House leaders to determine in terms of the division of time.

Mr Lessard: So the Chair wasn't correct, I guess, in saying I would have an opportunity to be able to debate this at third reading.

The Acting Chair (Mr Steve Gilchrist): That comment having been made, shall the bill be reported to the House?

Mr Mario Sergio (Yorkview): Recorded vote.

Ayes

Mr Boushy, Mr Danford, Mrs Fisher, Mr Smith, Mr Tilson.

Nays

Mr Caplan, Mr Lessard, Mr Sergio.

The Acting Chair: It carries. The bill will be reported to the House.

With that, the clause-by-clause consideration of Bill 55 is concluded. I thank all the members of the three parties and certainly thank all those who made deputations and submissions to the committee.

The committee adjourned at 1109.

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